

## **Market Update – Proposed Capital Return**

The Company announced on 24 December 2010 that it had entered into an Implementation Deed with Guinness Peat Group plc and Thorney Investment Group Australia Pty Ltd.

The Board is finalising documentation for the purpose of convening relevant shareholder meetings to consider, and if thought fit, to approve the proposed capital reduction.

The Board expects the relevant notice of meeting documentation to be finalised shortly. As previously advised, the Board commissioned an independent expert to prepare a report to shareholders which will be included in the materials to be issued to shareholders as part of the notices of meetings. The independent expert's report has been finalised, and the report includes, in summary, the expert's conclusion that the proposed capital reduction is fair and reasonable to the company's shareholders as a whole. The entire report from the independent expert will be included in the materials to be issued to shareholders for the notice of meetings and for the purpose of the relevant meetings, all documentation should be considered in its entirety.

Whilst the Board expects to finalise materials shortly, and to formally convene the relevant shareholder meetings, until such meetings are convened, and shareholders approve the relevant resolutions, there is no certainty that the proposed capital reduction will be implemented. As previously advised, the Board is still expecting that the relevant shareholder meetings will be held in February 2011.

**Martin Casey**  
Company Secretary  
Rattoon Holdings Ltd  
ACN 076 611 268

14 January 2011