

19 October 2009

## NOTICE OF MEETING

**NOTICE** is hereby given that the Annual General Meeting of CVC Limited will be held in the Board Room of the Company at Level 42, Suncorp Place, 259 George Street, Sydney on Monday the 23rd of November 2009 at 11.00am.

### **BUSINESS**

1. To receive and consider the Financial Report of the Company and of the Consolidated Entity for the year ended 30 June 2009 and the Reports by Directors and Auditors thereon.
2. To receive, consider and adopt the Remuneration Report of the Company and Consolidated Entity for the year ended 30 June 2009.
3. John Leaver who retires in accordance with the Company's Constitution, and, being eligible, offers himself for re-election.
4. To reduce the Company's share capital by cancellation of 200,000 shares on issue under the CVC Executive Long Term Incentive Plan
5. To approve the on-market Share Buyback Program for up to 30 million ordinary shares.
6. General Business: To transact any other business that may be brought forward in accordance with the Constitution of the Company.

### **INFORMATION**

Notes to the Notice of Meeting & Explanatory Information accompanies and forms part of this Notice of Meeting.

### **PROXY FORM**

A Proxy Form accompanies this Notice of Meeting.

### **ENQUIRIES**

For enquiries or further information, please contact John Hunter at the Company on (02) 9087 8000.

### **By Order of the Board**

John Hunter  
Company Secretary

Sydney this 19 October 2009

**NB:** Unless you have specifically requested to receive a hard copy of the annual report or an email copy, the CVC Limited 2009 Annual Report can be viewed at [www.cvc.com.au](http://www.cvc.com.au).

**CVC LIMITED**  
**ACN 002 700 361**

**NOTES TO NOTICE OF MEETING & EXPLANATORY INFORMATION**

**Persons entitled to vote**

The Directors have determined that the shareholding of each member for the purposes of ascertaining their voting entitlements at the General Meeting will be as it appears in the share register at 11.00am on Saturday 21st November 2009.

**How to vote**

If eligible, you may vote by attending the meeting, by proxy or attorney. A member who is a body corporate may appoint a representative to attend and vote on its behalf.

**Voting in person**

To vote in person, attend the meeting at the time and place set out in this notice of meeting.

**Voting by proxy**

To vote by proxy, please complete, sign and return the enclosed proxy form in accordance with the following instructions. If you require an additional proxy form, the Company will supply it on request.

**Proxies**

A member who is entitled to vote at the meeting, may appoint one or two proxies. Where the member appoints 2 proxies, the appointment may specify the proportion or number of votes that each proxy may exercise. If the appointment does not specify a proportion or number, each proxy may exercise one-half of the votes, in which case any fraction of votes will be disregarded. A proxy need not be a member of the Company.

The proxy form must be signed by the member or the member's attorney. Proxies given by a corporation must be executed in accordance with the Corporations Act and the constitution of that corporation.

The proxy form and the power of attorney or other authority (if any) under which it is signed or a certified copy, must be received by the Company at least 48 hours before the time for holding of the meeting or any adjourned meeting (or such lesser period as the Directors may permit) at the Company's registered office at Level 42 Suncorp Place, 259 George Street, Sydney, New South Wales 2000; or the following fax number: (02) 9087 8088.

**Voting by attorney**

A member may appoint an attorney to act on the member's behalf at the meeting. The power of attorney or such other evidence of the attorney's appointment and authority to the satisfaction of the Directors must be received by the Company at least 48 hours before the time for holding of the meeting or any adjourned meeting.

**BUSINESS**

**Financial Report**

In accordance with the Corporations Act and the Constitution of the Company the Financial Report of the Company and of the Consolidated Entity for the year ended 30 June 2009 and the Reports by Directors and Auditors thereon are to be laid before the Annual General Meeting.

There is no formal resolution to be put but shareholders will be given the opportunity to make comments and ask questions of the Board and the Auditor in respect of the reports. Shareholders are also able to submit questions to the Company for the Auditor prior to the meeting. The list of any such questions will be presented at the meeting for discussion and responses.

**Resolution 2 – Remuneration Report**

In accordance the Corporations Act 2001, a resolution must be put to shareholders that the remuneration report of the Company be adopted. The Remuneration Report was included in the Directors' Report section of the Annual Report, distributed to shareholders.

The resolution is not binding upon the Company or the Board but the Chair of the meeting must provide reasonable opportunity at the meeting for shareholders to ask questions about and comment on the remuneration report.

**Resolution 3 – Re-election of Director**

Mr John Leaver who retires in accordance with the Company's Constitution, and, being eligible, offers himself for re election. Information about John Leaver can be found in the Directors' Report section of the Annual Report.

**Resolution 4 – Cancellation of shares**

200,000 ordinary shares were issued to Gabrielle Cleary under the Company's Executive Long Term Incentive Plan. In terms of the Plan, the Company failed to achieve the required performance targets and have been forfeited.

In order to give effect to the forfeiture, these shares must be cancelled by an ordinary resolution of shareholders under section 258(D) of the Corporations Act 2001. The cancellation will have the following impact on the Company's capital:

Current Issued Capital	138,115,726
Issued Capital following cancellation	137,915,726

**Resolution 5 – Share Buyback Program**

**Background**

The *Corporations Act 2001* authorises a listed company to buyback its own shares on market if the buyback does not materially prejudice the company's ability to pay its creditors and it follows the procedures required in the Act.

Shareholder approval is required if all of the shares bought back in the last 12 months is more than 10% of the minimum number of shares on issue at any time during the last 12 months. The limit after which a company requires shareholder approval for a buyback is called the **10/12 limit**.

Subject to the members approving resolution 4, at the date of this notice, the Company is able to acquire 13,791,572 fully paid ordinary shares without shareholder approval. The Company wishes to buy-back on market more shares than permitted under the 10/12 limit, and accordingly seeks shareholder approval for the on-market buy-back of a total of up to 30 million ordinary shares (16,208,428 shares more than what CVC would be permitted to buy back without shareholder approval).

**Reasons for the buyback**

The share buyback offers an opportunity:

- to return capital to long-standing investors, as would be contemplated by a closed end fund; and
- to better match recurrent earnings with capital employed.

It is also an efficient use of capital whilst shares trade at a significant discount to net asset value of the Company.

**Details of buyback**

The key details of the proposed buyback are as follows:

- **Price range** – The Company will in its discretion offer to buy back shares on market at a price determined by the Company subject to the listing rules of the ASX. The listing rules of the ASX impose a moving cap on the price the Company may pay for the shares of 5% above the average market price per share for the last 5 days on which trades were recorded before the day on which the purchase under the buyback was made.
- **Maximum number of shares** – the maximum number of shares in the Company to be bought back is 30 million fully paid ordinary shares. The number of shares to be bought back represents approximately 21.7% of the total issued share capital of 138,115,726 at the date of this notice.

**Advantages of buyback**

The key advantages of the buyback are as follows:

1. increase the liquidity of the Company's shares;
2. an efficient use of surplus capital in a market where finding suitable investments is proving difficult;
3. increased price competition for the Company's shares; and
4. the promotion of a more efficient capital structure.

**Disadvantages of buyback**

The key disadvantages of the buyback are as follows:

1. reduces the cash balances of the Company; and
2. is on a selective rather than an equal access basis.

**Buyback funding**

The buyback will be funded from cash reserves. The Directors do not believe that the buy-back will materially prejudice CVC's ability to pay its creditors.

**Consequence if approval not given**

If the approval is not given, CVC intends to buyback on market the maximum number of shares permitted under the 10/12 limit without shareholder approval.

**Directors recommendation**

The Directors unanimously recommend that shareholders vote in favour of the proposed share buyback.

