

**CVC PRIVATE EQUITY LIMITED  
ACN 059 092 198**

**ANNUAL GENERAL MEETING  
2015**

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**Inclusions**

- **Annual Report (for Shareholders who have elected to receive a hard copy)**
- **Proxy Form**
- **Reply paid envelope**

**Important Information:**

All timetables and dates set out in this Notice of Meeting for events occurring after the date of this Notice of Meeting are indicative only. The Company reserves the right to vary any of those timetables and dates without notice, subject to the Corporations Act and any other applicable laws.

ASIC does not take any responsibility for the contents of this Notice of Meeting.

This Notice of Meeting does not take into account the individual investment objectives, financial situation or particular needs of any person. Shareholders should seek professional advice from a licensed financial adviser, accountant, stockbroker, lawyer or other professional adviser before deciding whether or not to approve the Resolutions.

Financial amounts in this Notice of Meeting are expressed in Australian dollars unless otherwise stated.

This Notice of Meeting is governed by the law in force in New South Wales, Australia.

**1 Chairman's Letter**

23 October 2015

Dear Shareholder

I am pleased to invite you to attend the 2015 Annual General Meeting of CVC Private Equity Limited, which will be held at the following time and place:

Date 23 November 2015

Time 2:00 pm

Place Lawson Room, Level 9 Executive Floor, Chartered Accountants Australia and New Zealand, 33 Erskine Street, Sydney, NSW 2000

The business to be considered at the AGM is provided on page 3 of this Notice of Meeting.

In addition to the usual business of the AGM, additional resolutions are being put to Shareholders to provide Shareholders with the opportunity to consider the proposed restructuring of your Company from a private equity investor to a property funding investor with the objective of achieving the returns typically available for this type of investment class. This is accompanied by resolutions proposing a change in the manager and the name and of the Company so to better reflect and facilitate the objectives of the intended restructure.

Shareholders will also note further proposed resolutions to facilitate an orderly buyback exit process for those Shareholders who do not wish to participate in the new investment approach.

If the proposed restructure is approved then following the implementation of the restructure the Directors intend to declare a 'loyalty' dividend of 13 cents per Share franked to the maximum amount possible in respect of the Shares of those Shareholders not participating in the buyback.

An Explanatory Statement in relation to the proposed resolutions is provided at page 5 of this Notice of Meeting.

If you are able to attend the AGM, please bring the enclosed proxy form with you to facilitate registration at the AGM.

If you do not plan on attending the AGM you are encouraged to appoint a proxy to attend and vote on your behalf by completing the enclosed proxy form and returning it in person, by fax or in the envelope provided. Instructions on how to appoint a proxy are detailed on the proxy form.

Proxies must be received no later than 2:00 pm (Sydney time) on 21 November 2015 to be valid for the AGM.

A copy of the CVC Private Equity Limited 2015 Annual Report is included with this Notice of Meeting for those Shareholders who have elected to receive a hard copy. A copy of the 2015 Annual Report is also available online at the Company's website [www.cvc.com.au](http://www.cvc.com.au).

We are excited about the opportunity to reinvent your Company and invite you to continue the journey. We look forward to seeing you at this AGM and hopefully many more.

Yours sincerely

Chairman

## 2 Notice of Meeting

Notice is hereby given that the Annual General Meeting of CVC Private Equity Limited (**Company**) will be held at Lawson Room, Level 9 Executive Floor, Chartered Accountants Australia and New Zealand, 33 Erskine Street, Sydney, NSW 2000 on 23 November 2015 at 2:00 pm (Sydney time).

### 2.1 Business

#### **Financial report**

To receive and consider the Financial Report of the Company for the year ended 30 June 2015 and the Reports by Directors and Auditors thereon.

#### **Resolution 1 – Change of company name**

To consider, and if thought fit, to pass the following resolution as a special resolution:

*“That, subject to the passing of resolution 2 set out in the notice convening this meeting (**Notice of Meeting**) also being passed, the Company change its name to Eildon Capital Limited.”*

#### **Resolution 2 – Change of managers**

To consider, if thought fit, to pass the following as an ordinary resolution:

*“That for the purposes of Part 2E.1 of the Corporations Act 2001 (Cth) (**Corporations Act**) and for all other purposes, shareholders approve the Company’s current management agreement with CVC Managers Pty Ltd being amended and terminated and replaced by a new management agreement with CVC Property Managers Limited, for the reasons and on the terms and conditions described in the explanatory statement accompanying the Notice of Meeting (**Explanatory Statement**).”*

#### **Resolution 3 – Equal access share buyback**

To consider, if thought fit, to pass the following as an ordinary resolution:

*“That, subject to the passing of resolution 2 set out in the Notice of Meeting, for the purpose of s. 257C(1) of the Corporations Act and for all other purposes, shareholders approve the equal access share buyback of fully paid ordinary shares in the Company, to a maximum aggregate amount of \$8.5 million, at the “Share Buyback Price” as defined and determined in accordance with the methodology described in the Explanatory Statement and the entry by the Company into the “Share Buyback Documentation” with each participant in that buyback (as defined in the Explanatory Statement) and on the terms and conditions described in the Explanatory Statement.”*

#### **Other business**

To transact any other business that may be brought forward in accordance with the constitution of the Company.

Further information specific to the resolutions is set out in the Explanatory Statement which accompanies and forms part of this Notice of Meeting.

### **By order of the Board**

John Hunter  
Company Secretary  
23 October 2015

## 2.2 Voting exclusion statement – Resolution 2

The Company will disregard any votes cast in relation to Resolution 2 by:

- (a) CVC Limited, CVC Managers Pty Ltd, CVC Property Managers Pty Ltd; and
- (b) an associate of any of those persons.

However, the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

## 2.3 Determination of entitlement to vote

For the purpose of the Meeting, the Directors have determined that Shares will be taken to be held by persons registered as Shareholders as at 2:00pm (Sydney time) on 21 November 2015.

## 2.4 Proxies

Each Shareholder may appoint a proxy, who need not be a Shareholder, to attend and vote at the AGM on the Shareholder's behalf. A Shareholder who is entitled to attend and cast two or more votes at the Meeting may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise on a poll. If the Shareholder appoints two proxies and the appointment does not specify the proportion or number of the Shareholder's votes that each may exercise, each may exercise half of the votes (disregarding fractions) on a poll. A proxy form and, if not signed by the Shareholder, the power of attorney or other authority (if any) under which the proxy form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company at least 48 hours before the time for holding the Meeting.

To be effective, the instrument appointing a proxy (and the power of attorney, if any, under which it is signed) must be received by the Company not less than forty eight hours before the time for holding the Meeting by either of the following:

- (a) hand delivered or mailed to Level 6 Goldfields House, 1 Alfred Street, Sydney NSW 2000; or
- (b) sent by facsimile to (02) 9087 8088

## 2.5 Corporate representatives

A company, which is a Shareholder, wishing to appoint a person to act as its representative at the Meeting must provide that person with a letter executed in accordance with the Company's constitution and the Corporations Act authorising him or her to act as that Shareholder's representative.

### 3 Explanatory Statement

**This Explanatory Statement has been prepared for the information of Shareholders in connection with the business to be conducted at the Company's Annual General Meeting to be held at Lawson Room, Level 9 Executive Floor, Chartered Accountants Australia and New Zealand, 33 Erskine Street, Sydney, NSW 2000 on 23 November 2015 at 2:00 pm (Sydney time).**

#### 3.1 General business – financial report

In accordance with the Corporations Act and the Constitution of the Company, the Financial Report for the year ended 30 June 2015 and the Reports by Directors and Auditors thereon are to be laid before the Annual General Meeting.

There is no resolution to be put for this agenda item, 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.

#### 3.2 Proposed Restructure – overview and rationale

In addition to the general business referred to above, this Notice of Meeting includes Resolutions to facilitate a change in the Company's investment approach from a general private equity focus to a specific property funding focus.

Shareholders will be aware that the net assets of the Company have increased significantly since the global financial crisis but that this performance substantially represents the growth in value of investments held at the start of that period with minimal new attractive private equity style investments having been identified or made. As a result, as the original investments have been realised over time, the private equity portfolio has continued to decline in size and the Company's assets have come to be more represented in cash and liquid listed investments. Since the beginning of the current financial year, the Company's last interest in Ron Finemore Transport Pty Limited was also realised and the Company now only has one private equity-style investment left, being a 10% interest in Green's Foods.

The Board and the Company's Existing Manager do not foresee any change to the investment environment for private equity on the scale and of the nature the Company could prudently commit to in the near future, with deals presented to it generally being too large, too early stage and/or too intangible based for it to responsibly execute. The Board has also considered whether to seek to wind up the Company as an alternative. However, in the absence of a realisation of the Green's Foods investment, which is difficult for the Company to achieve unilaterally or otherwise given the restrictions in the Green's Foods Shareholders Deed and the consequent limitation on any unilaterally exercisable rights of realisation of the Company in this regard, the Board considers such a wind up process would likely be suboptimal in value and/or uncertain in duration for our Shareholders.

At the same time, as the Company has struggled to source suitable private equity investments, the Company is aware the proposed New Manager, CVC Property Managers, (as distinct from the more broadly mandated Company's Existing Manager), has significant expertise in, and access to a pipeline of, property focussed investments, and in particular property mezzanine and joint venture funding opportunities.

In these circumstances, the Board has identified the opportunity:

- to reinvent and expedite the re-focus the Company as a property funder / investor, giving Shareholders an attractive priority opportunity to participate in potentially higher returns; and

- to provide a redemption-type buyback opportunity for those Shareholders who do not wish to participate in the proposed change in the Company's investment philosophy.

The Company proposes to facilitate the achievement of these goals by undertaking the following:

- changing the Company's name to Eildon Capital Limited (**Name Change**);
- amending and terminating its Existing Management Agreement with CVC Managers as the Company's Existing Manager, and appointing CVC Property Managers as the Company's New Manager (part of which will involve the entry into the New Management Agreement with CVC Property Managers) (**Manager Change**); and
- the Company conducting an equal access share buyback to provide an opportunity for those Shareholders who do not wish to participate in the Company's new investment strategy to realise their investment in the Company (**Share Buyback**),

as more fully explained in this Explanatory Statement (together, **Proposed Restructure**).

For compliance with the Corporations Act:

- each element of the Proposed Restructure identified above requires approval of the Company's Shareholders and the Company is, accordingly, seeking such approval at the AGM and putting the Resolutions to the Shareholders; and
- the Manager Change requires the approval of the shareholders of CVC Limited, which is scheduled to be sought at CVC Limited's 2015 annual general meeting.

Further information in respect of the Proposed Restructure and the Resolutions is set out in this Explanatory Statement and Shareholders are encouraged to read it in full.

### 3.3 Indicative timetable and key dates

#### (a) Timetable

The indicative timetable for implementing the Proposed Restructure, assuming all Resolutions are passed and the shareholders of CVC Limited also approve the relevant elements of the Proposed Restructure, is as set out below. All dates set out below for events occurring after the date of this Notice of Meeting are indicative only. The Company reserves the right to vary any of those dates without notice, subject to the Corporations Act and any other applicable laws.

Friday 23 October 2015	Notice of Meeting sent to Shareholders.
Friday 20 November 2015	Snapshot Date for Net Assets calculation for Share Buyback Price.
Monday 23 November 2015	Annual General Meetings of CVC Limited & the Company.
Tuesday 24 November 2015	Transactions Date <ul style="list-style-type: none"> <li>- Share Buyback offer letters sent</li> <li>- Name Change registered</li> <li>- Manager Change occurs</li> </ul>
5pm on Friday 18 December 2015	Share Buyback offer closes.
Tuesday 22 December 2015	Share Buyback completed and despatch of payment to participating Shareholders.
Friday 15 January 2016	Expected declaration of Loyalty Dividend for remaining Shareholders.

(b) Snapshot date for valuations & buyback price

The asset values which underpin the Share Buyback Price, have not been fixed at the date of this Notice of Meeting. Instead the fair values will be determined at a Snapshot Date, just prior to the AGM, based on the specific methodology as explained in this Explanatory Statement. This approach has been adopted to ensure fairness for all parties, given that fair values could possibly move during the period between the date of this Notice of Meeting and the date of the AGM.

The Snapshot Date has been chosen as close of business on Friday 20 November 2015.

Although not anticipated or expected, it should however be noted that the fair values of the Company's assets may, due to their nature, yet move up or down following the Snapshot Date, and may differ from those upon which the Share Buyback Price has been calculated.

(c) Transactions Date

Except for the Share Buyback, all elements of the Proposed Restructure will be implemented on the day following the AGM (ie, 24 November 2015).

3.4 **Impact of the Proposed Restructure on the Company**(a) General

Type	Before the Proposed Restructure is implemented	Immediately after the Proposed Restructure is implemented
Investment strategy	Private equity investor	Property funding investor
Key investment assets held	Investment in Green's Foods Investment in Grays Ecommerce Group Ltd (ASX:GEG) Investment in MMA Offshore Limited (ASX: MRM) Investment in Mitchell Services Ltd (ASX: MRM)	There is no immediate change in this regard. However, the Company will seek to exit the existing investments opportunistically over time, and to explore new opportunities consistent with its new investment strategy as expeditiously as is prudent
Manager	CVC Managers	CVC Property Managers
Company name	CVC Private Equity Limited	Eildon Capital Limited
Company type	Unlisted public company limited by shares	Unlisted public company limited by shares (ie, no change)
Capital structure	Shares on issue: 18,474,249 Options on issue: 3,150,000	This is dependent on the level of participation by Shareholders and Optionholders in the Share Buyback.  Any Optionholder who exercises its Options no later than 2 business days prior to the closing date of the Share Buyback offer will be eligible to participate in the Share Buyback.  If the maximum number of Shares is bought back pursuant to the Share Buyback (with an indicative Share Buyback Price of \$1.155 per Share), then the number of Shares on issue is expected to be 13,764,942 (see

Type	Before the Proposed Restructure is implemented	Immediately after the Proposed Restructure is implemented
		Section 3.11 below for further information).

(b) Options

The Company currently has 3,150,000 Options on issue. Any Optionholder who exercises its Options at least 2 business days prior to the Share Buyback closing date will be eligible to participate in the Share Buyback. As indicated above, it is intended that 2,650,000 Options will be exercised at least 2 business days prior to the Share Buyback closing date and the Board has resolved that the remaining 500,000 Options will be bought back by the Company for a price directly corresponding to and achieving the same value outcome for those Optionholders as provided to the Shareholders participating in the Share Buyback.

(c) Financial impact

Other than as a consequence of the share buy-back, in relation to which the only presently known details of intended participation are provided specifically in section 3.5 and section 3.11(j) below, there is no financial impact of the restructure on the Financial Position of the Company.

### 3.5 **Directors and participants in the Proposed Restructure, and their respective interest in the outcome of the Resolutions – voting exclusions**

In order to clearly identify the respective interests of the various participants in the Proposed Restructure, set out below is a list of the relevant participants, their interests and, as applicable, which of them will be precluded from voting on the Resolutions pursuant to the relevant provisions of the Corporations Act:

Name	Nature of their current interests and interest in the Proposed Restructure	Is the party excluded from voting on a Resolution?
Alexander Beard	<ul style="list-style-type: none"> <li>• Is a director of the Company, CVC Limited, CVC Managers and CVC Property Managers.</li> <li>• Shareholding in the Company: directly holds 247,946 Shares, indirectly holds 1,200,000 Options through Alexander Beard &amp; Pascale Beard as trustees for the AD &amp; MP Superannuation Fund.</li> <li>• Shareholding in CVC Limited: directly holds 694,136 ordinary shares and indirectly holds 687,000 ordinary shares through Mrs Pascale Beard and Alexander Beard &amp; Pascale Beard as trustees for the AD &amp; MP Superannuation Fund.</li> <li>• If the Proposed Restructure is implemented: <ul style="list-style-type: none"> <li>○ it is intended that all 1,200,000 Options will be exercised in full at least 2 business days prior to the Share Buyback closing date and all of the resulting Shares issued upon such exercise will participate in the Share Buyback;</li> <li>○ does not intend to participate in the Share Buyback in respect of any other Shares held.</li> </ul> </li> </ul>	Yes, Resolution 2.

Name	Nature of their current interests and interest in the Proposed Restructure	Is the party excluded from voting on a Resolution?
Elliott Kaplan	<ul style="list-style-type: none"> <li>• Is a director of the Company.</li> <li>• Is a senior executive of CVC Limited.</li> <li>• Shareholding in the Company: indirectly holds 145,751 Shares and 1,200,000 Options through Elliott Kaplan and Brenda Kaplan as trustees of the Kaplan Family Super Fund.</li> <li>• Shareholding in CVC Limited: indirectly holds 20,000 ordinary shares, through Elliott Kaplan and Brenda Kaplan as trustees of the Kaplan Family Super Fund.</li> <li>• If the Proposed Restructure is implemented:               <ul style="list-style-type: none"> <li>○ it is intended that all 1,200,000 Options will be exercised in full at least 2 business days prior to the Share Buyback closing date and the resulting Shares issued upon such exercise will participate in the Share Buyback;</li> <li>○ does not intend to participate in Share Buyback in respect of any other Shares held.</li> </ul> </li> </ul>	Yes, Resolution 2.
John Read	<ul style="list-style-type: none"> <li>• Is a director of the Company, CVC Limited and CVC Managers.</li> <li>• Shareholding in the Company: Nil.</li> <li>• Shareholding in CVC Limited: indirectly holds 528,956 ordinary shares through Cannington Corporation Pty Ltd atf Cannington Super Fund and Alexander Gordon Read.</li> </ul>	Yes, Resolution 2.
CVC Limited	<ul style="list-style-type: none"> <li>• Shareholding in the Company: directly holds 11,511,996 Shares.</li> <li>• Holds all of the issued shares in CVC Managers.</li> <li>• Holds all of the issued shares in CVC Property Managers.</li> <li>• If the Proposed Restructure is implemented               <ul style="list-style-type: none"> <li>○ does not intend to participate in the Share Buyback.</li> </ul> </li> </ul>	Yes, Resolution 2.
CVC Managers	<ul style="list-style-type: none"> <li>• Is the Existing Manager of the Company.</li> <li>• Is a wholly owned subsidiary of CVC Limited.</li> <li>• If the Proposed Restructure is implemented, will no longer be manager of the Company.</li> <li>• Shareholding in the Company: directly holds 95,354 Shares.</li> </ul>	Yes, Resolution 2.
CVC Property Managers	<ul style="list-style-type: none"> <li>• Is a wholly owned subsidiary of CVC Limited.</li> <li>• Has allocated staff with specific property investment expertise, an appropriate pipeline of opportunities and a network of contacts for potential property related potentially suitable to the Company (as further referred to below);</li> <li>• If the Proposed Restructure is implemented, will be the New Manager of the Company.</li> </ul>	Yes, Resolution 2.

### 3.6 **No recommendations as to voting**

As set out in Section 3.5 above, each Director holds existing senior positions with CVC Limited, and accordingly is precluded from voting on Resolution 2 underpinning the Proposed Restructure.

Having regard to the interconnected nature of the Resolutions and each element of the Proposed Restructure each Director declines to make any recommendations as to voting on any of the Resolutions.

### 3.7 **Directors' voting intentions**

Each Director intends to vote in favour of each Resolution in respect of all of their direct and indirect Shareholdings in the Company, to the extent that they are not precluded from doing so under the voting exclusion statements set out in Section 2.2 above.

### 3.8 **Evaluation of the Proposed Restructure**

The Directors consider the following to be relevant to Shareholders considering whether or not to approve the Proposed Restructure:

#### **Advantages**

- It facilitates the Company's proposed change in investment strategy and re-focussing as a property funder / investor.
- It allows the Company to provide a redemption-type buyback opportunity, for those Shareholders who do not wish to participate in the proposed change in the Company's investment philosophy, at a price much closer to a more certain net asset value per Share.
- It allows the Company to benefit from more favourable terms and conditions under the proposed management agreement with the New Manager.
- See Section 3.11(e) below for advantages specific to the Share Buyback.

#### **Disadvantages**

- The cash and net assets of the Company will be reduced.
- See Section 3.11(f) below for disadvantages specific to the Share Buyback.
- As at the date of this Notice of Meeting, the Company has incurred expenses of approximately \$65,000 in relation to the Proposed Restructure and is expected to incur a further \$15,000 approximately if all Resolutions are approved and the Proposed Restructure is implemented.

### 3.9 **Additional information specific to Resolution 1 – Change of Company Name**

Resolution 1 seeks to change the Company's name from CVC Private Equity Limited to Eildon Capital Limited, subject to the passing of Resolutions 2 and 3.

In accordance with section 157 of Corporations Act, Resolution 1 is a special resolution and will only be passed if at least 75% of the votes cast by Shareholders entitled to vote on the Resolution are in favour of the Resolution.

The directors consider that if the Company is to change its investment philosophy away from private equity style investments, as envisaged by the Proposed Restructure, the name CVC Private Equity Limited is no longer appropriate and should be changed.

The proposed new name Eildon Capital Limited has been chosen and reserved by CVC Property Managers, the Company's proposed New Manager. Resolution 1 is conditional on Resolution 2 (Change of Manager) also being passed, as part of the process to allow the new investment philosophy to be implemented. Even if the requisite majority of Shareholders vote in favour of Resolution 1, the Name Change will not occur unless Resolution 2 is also passed.

**Directors' recommendation:** Each of the Directors declines to make any recommendation in relation to voting on Resolution 1 due to the interconnected nature of Resolution 1 with Resolution 2 (see Sections 3.5 and 3.6 for further information).

### 3.10 Additional information specific to Resolution 2 – Change of Managers

#### (a) Overview of the Proposal

The Directors consider that if the Company is to change its investment philosophy away from private equity style investments, as envisaged by the suite of Resolutions being proposed at the AGM, the Existing Management Arrangement is no longer appropriate and should be changed.

The Company has been operating under the same management agreement since 30 June 1999. Initially this was with CVC Investment Managers Pty Limited as manager and then in 2004, as part of a restructure of the CVC Group, CVC Managers Pty Ltd took over management responsibility through a novation of the Existing Management Agreement which was approved by the Company in general meeting on 4 August 2004.

The Existing Management Agreement was considered appropriate for the type of investments sought by the Company and at the time it was entered into. However, it is not considered to be reflective of current market practice for the types of property investments to be sought in future should Shareholders approve the change in investment philosophy proposed in the suite of Resolutions put at this AGM.

The proposed New Management Agreement has been designed to be on current market terms appropriate for the future intended investment activities of the Company following implementation of the Proposed Restructure. In particular, management fees are tiered to better correlate with deployed monies and performance fees only accrue once Shareholders have received an attractive preferential return. These types of arrangements are considered appropriate and typical for similar mezzanine style property funding entities.

Separately from changing the management agreement itself, it is also proposed that the actual manager of the Company will change from CVC Managers Pty Ltd to CVC Property Managers Limited. CVC Limited owns 100% of both these companies but making CVC Property Managers the manager of the Company has the following additional benefits:

- CVC Property Managers is a specific property focussed manager with a corresponding AFSL. CVC Managers is a more generalist funds manager.
- CVC Property Managers does not currently have any other management mandates and will be solely the manager of the Company. CVC Managers has other non-property related management contracts.
- Whilst CVC Property Managers is currently owned 100% by CVC Limited, CVC Limited and the relevant executives intend in due course that key property executives within CVC Limited will be retained and incentivised, for the benefit of the Company exclusively, through ownership or quasi-ownership interests in the New Manager. CVC Property Managers as a single sector single mandate entity provides a better conduit for this to be achieved.

#### (b) Comparison of Management Arrangements

The following table provides a comparison of some key terms of the Existing Management Agreement and the proposed New Management Agreement. All fee amounts exclude GST. Full copies of the Existing Management Agreement and the proposed New Management Agreement will be available from the Company and/or its website.

Matter	Existing Management Agreement	Proposed New Management Agreement
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Matter	Existing Management Agreement	Proposed New Management Agreement
Manager	CVC Managers Pty Ltd AFSL 277740	CVC Property Managers Limited AFSL 229809
Key Management Personnel	Elliott Kaplan Alexander Beard	Mark Avery John Hunter Alexander Beard
Base Fee	2.5% per annum of net assets (or initial paid up capital if higher) of the Company.	0.75% per annum of net assets plus 1% of invested capital.  Subject to a minimum of \$15,000 per month.
Base Fee Payment	Payable quarterly in arrears based on the amount determined at the end of the previous financial year.	Payable monthly in arrears based on the amount determined at the end of the previous month.
Performance Fees	20% performance fee of the excess where the Company disposes of an investment and achieves a net gain higher than the CPI [underlying CPI is targeted by the RBA to be in the range 2-3% per annum] during the period of the investment plus 2% per annum.	20% Performance Fee after Investors have received a preferred 9% return.  Investor Return will be determined on the movement in net assets per share (or share prices if the Company is listed) and distributions/ capital returns for the period.
Loss Recoveries on Performance Fees	If there is a loss on disposal, then 20% of the loss will be carried forward and deducted from future performance fees payable to the Manager.	Performance Fees calculated cumulatively since later of: <ul style="list-style-type: none"> <li>- 1 January 2016;</li> <li>- End of the last period for which a performance fee was paid;</li> <li>- 3 Years before the end of the period.</li> </ul>
Expense Recoveries	Manager is entitled to recover certain expenses in relation to the Company and its investment activities.	No material change.  Manager remains entitled to recover certain expenses in relation to the Company and its revised investment activities.  Such expenses include for: <ul style="list-style-type: none"> <li>- acquisitions and disposals of investments;</li> <li>- audits and valuations</li> <li>- capital raising and marketing</li> <li>- Director fees</li> <li>- fees levied by ASX and ASIC</li> <li>- financial institution fees and costs of finance</li> <li>- insurances;</li> <li>- litigation</li> <li>- share registry fees</li> <li>- taxes and duties</li> </ul>

Matter	Existing Management Agreement	Proposed New Management Agreement
Termination (other than for cause) by Members	Agreement may be terminated by the Company by means of a resolution, passed in a duly convened extraordinary general meeting of the Company, which is assented to by the holders of not less than seventy five (75) percent of the issued capital of the Company.	Agreement may be terminated by the Company by means of a special resolution at a duly convened meeting of the shareholders of the Company and such resolution is passed by 75% of the eligible votes cast.
Termination other than for cause by the Company Payments	the Company must pay the Manager the lesser of: <ul style="list-style-type: none"> <li>- 8 times the management fee payable in the previous quarter.</li> <li>- the total of: <ul style="list-style-type: none"> <li>- amounts due and payable to the Manager at the date of termination; and</li> <li>- the cost of cancellation of agreements entered into by Manager to perform its duties; and</li> <li>- Profit that the Manager would have earned until completion of a 10 year term.</li> </ul> </li> </ul>	the Company must pay the Manager the sum of: <ul style="list-style-type: none"> <li>- 12x the base fees for the previous month</li> <li>- A performance fee for the period from the start of the current financial year to the date of termination</li> <li>- Any outstanding expense recoveries</li> </ul>

(c) Other information in respect of the Existing Management Agreement

Notwithstanding the base management fees above, CVC Managers has been charging lower management fees of \$181,818 per annum (being \$200,000 GST Inclusive). Per the 2015 Annual Report this is explained as follows:

*“The Company pays management fees to its investment manager calculated at 2.5% of the higher of the net assets of the Company or capital raised by the Company at the end of the previous financial year. Effective 31 December 2010 the investment manager agreed to reduce the annual management fees to a pro-rata \$200,000 per annum. During the year management fees of \$181,818 (2014: \$181,818) were paid to CVC Managers Pty Limited.”*

This reduction is only discretionary and could be reversed at any time by CVC Managers.

The Company has not paid Performance Fees since inception. This reflected the first investment realisations being losses that created a deficit that needed to be offset before performance fees would start being payable. With the recent profitable performance and realisation of investments this deficit is now being diminished and is no longer considered a significant obstacle to future performance fees being payable. In fact, in isolation, a liability for performance fees could be expected to be triggered if, for example, the Company's investment in Green's Foods was sold at current fair value in the absence of the Proposed Restructure.

(d) New Manager

CVC Property Managers has an AFSL and is 100% owned by CVC Limited. Its directors are Alexander Beard, Mark Avery and John Hunter. It was previously the manager of the formerly ASX listed CVC Property Fund (ASX Code: CJT) (**CJT**) until

CJT was sold and was subsequently delisted from ASX on 22 April 2015. It was also the responsible entity for CJT prior to CJT's delisting.

CVC Property Managers' main objective is to provide investment management services to property investment entities and grow funds under management. CVC Property Managers intends to operate a managed investments scheme in direct real property and financial assets. CVC Property Managers also intends to provide financial product advice and deals in financial products on behalf of potential retail and wholesale clients.

CVC Property Managers continues to seek investment opportunities and will assist property investment companies in raising funds for investments purposes. It has the financial and resource support of its parent company CVC Limited.

(e) Key Management Personnel of the New Manager

**Mark Avery**

Mark has been with CVC for 6 years and will be responsible for investment strategy, investor relations and transaction sourcing and due diligence management for CVC Property Managers. Mark began his professional career at Macquarie Group where he was employed for five years. He was part of the Property Finance division as well as its residential development divisions. Mark also worked in a subsidiary of Mirvac in the industrial property sector before joining CVC. Mark holds Bachelor degrees in Commerce and Planning & Design from the University of Melbourne.

**John Hunter**

John has been with CVC for 9 years. John is the Chief Financial Officer and Company Secretary of CVC Limited and the wider investment vehicles of the CVC Group. John has overseen the development and management of a number of investment vehicles with his core responsibility being management of financial and statutory reporting and compliance. John has extensive experience in ASX listed and unlisted public reporting and accounting for property, equity trusts, managed investment companies and schemes, due diligence and compliance. Prior to being employed by CVC, John worked at Platinum Asset Management as Finance Manager developing and managing the internal finance function.

**Alexander Beard**

Sandy Beard has been with CVC since 1991 and since 2000 has been its CEO and Managing Director. In that time CVC's NTA has grown by \$150m (350%) with a further \$108m paid in dividends. He has extensive Board and management experience in a variety of businesses ranging from early stage companies to mature businesses across a diversity of industries. Sandy has implemented significant company restructuring and recruited new management teams for businesses, including at Villa World Limited where he was Chairman from November 2011 to September 2012 and a board member from April 2011 until September 2014 during which time Villa World returned to profitability, grew its net tangible assets by \$35m and its share price by 165%. During his tenure at CVC, Sandy has overseen CVC participation in projects with end value in excess of \$0.5bn, with CVC participating significantly as a mezzanine and equity partner. More importantly Sandy's 25 plus year experience with CVC has seen navigation of many business cycles including most recently the GFC, and prior downturns and upturns in all facets of property related activities. Sandy holds a Bachelor degree in Commerce from UNSW and is a Fellow of the Institute of Chartered Accountants

(f) Regulatory requirements

Section 208 of the Corporations Act provides that a public company must not give a financial benefit to a related party except under certain circumstances including circumstances in which shareholders approve the giving of the financial benefit.

CVC Property Managers, CVC Managers and CVC Limited are related parties of the Company, and the Directors have existing positions with those entities (see Section 3.5 for further information).

Section 229 provides a broad definition for the giving of a financial benefit to related parties. As a result, the Manager Change could be regarded as the Company conferring a financial benefit on CVC Limited, CVC Managers and CVC Property Managers.

Shareholder approval is not required if the financial benefit was given on terms that:

- (i) would be reasonable in the circumstances if the public company or entity and the related party were dealing at arm's length; or
- (ii) are less favourable to the related party than the terms referred to in paragraph 3.10(f)(i).

Notwithstanding that the Directors consider the New Management Agreement to contain normal commercial terms that would be reasonable if the Company and CVC Property Managers were dealing at arm's length, due to the related party relationships and associations, and for the avoidance of any doubt, Shareholder approval is being sought for the Manager Change.

(g) Implications of approving the Manager Change

Subject to the shareholders of CVC Limited approving the Manager Change, the principal implications of the Manager Change are that:

- (i) the rights and responsibilities of the Existing Management Agreement with CVC Managers will be terminated by the Existing Manager providing notice to the Company and the parties agreeing to accept short notice of termination; and
- (ii) the Company will enter into the New Management Agreement with CVC Property Managers.

In addition, if all other Resolutions are also passed, the other implications of the Resolution being passed for the Company are that all elements of the Proposed Restructure will be implemented. See Section 3.4 for further information.

(h) Implications if Resolution 2 is not approved

If Shareholders do not approve the Resolution, there will be no change to the current management arrangements. CVC Managers will continue to manage the Company under the Existing Management Agreement and in accordance with the current investment philosophy. In addition the Name Change will not occur and the Share Buyback will not occur.

(i) Additional information

In accordance with section 219 of the Corporations Act and ASIC Regulatory Guide 76, the Directors provide the following additional information in relation to this Resolution:

<b>Identity of the related party</b>	The Manager Change will result in CVC Property Managers becoming the Company's New Manager.  CVC Property Managers' associates are identified in Section 3.5.
<b>Related party's existing interest in the Company</b>	See Section 3.5 for further information.

<b>Nature of the financial benefit</b>	The financial benefits to be given by the Company are the fees and reimbursements payable under the New Management Agreement with CVC Property Managers.
<b>Valuation of the financial benefit</b>	<p>As the management fees and performance fee rates are lower under the New Management Agreement and the net assets on which they are based are expected to be reduced by the Proposed Restructure generally, the contractual fees will reduce initially. On this basis, there is no immediate financial benefit considered to be being provided.</p> <p>Over time, it is anticipated that the new investment philosophy is more likely to be able to generate better returns and attract new investors, that will lead to the New Manager being able to earn higher fees. However, this is not certain and very difficult to ascribe a value.</p>
<b>Alternatives to the related party transaction and reasons for choosing the related party transaction</b>	In light of CVC Limited's control of the Company, the Board considered the only practical alternatives available to the Company are to continue with the existing strategy or return capital to Shareholders. The Proposed Restructure is the preferred course as the Board considers it to provide both a better investment opportunity for the Company going forward whilst also providing a redemption style exit opportunity for those Shareholders who do not wish to participate in the proposed change in the Company's investment philosophy.
<b>Other material information</b>	There is no other information that is known to the Company or to any of its Directors that is reasonably required by Shareholders in order to decide whether or not it is in the Company's interests to pass this Resolution that is not contained in this Notice of Meeting.
<b>Directors' recommendations</b>	Each of the Directors declines to make any recommendation in relation to voting on this Resolution due to their relationship with CVC Property Managers and its holding company, CVC Limited. See Section 3.6 for further information.
<b>Directors' interest in the outcome</b>	See Section 3.5 for further information.

### 3.11 Additional information specific to Resolution 3 – Equal access share buyback

#### (a) Overview

The Corporations Act allows the Company to buy up to 10% of the minimum number of Shares on issue at any time during the last 12 months without seeking the approval of Shareholders. The Company wishes to be able to buy back a greater number than

this, and it is seeking approval from Shareholders to approve an equal access buyback to allow up to \$8.5 million in aggregate to be applied to buy back fully paid ordinary shares, in accordance with section 257C(1) of the Corporations Act.

Resolution 3 is conditional on Resolution 2 (Change of Manager) also being passed, as the Share Buyback is primarily being undertaken to allow Shareholders who do not wish to participate in the new investment philosophy the opportunity to realise their investment in the Company. Even if the requisite majority of Shareholders vote in favour of Resolution 3, the Share Buyback will not occur unless Resolution 2 is also passed.

(b) Reasons for Share Buyback

The Company recognises that:

- (i) the change of investment philosophy envisaged in this Notice of Meeting is significant and that it may not be suitable for all Shareholders;
- (ii) the Company has been operating for some time and its Shares are generally illiquid, providing limited opportunities for Shareholders to realise their investment; and
- (iii) the Company's net assets are currently substantially held in cash and other liquid assets, which allow the funding for the Share Buyback and also provides greater certainty of net asset value per Share.

In these circumstances the Share Buyback offers an opportunity to:

- (i) provide a liquidity mechanism for Shareholders, by returning providing a redemption-style exit opportunity to long-standing investors, which is not otherwise possible; and
- (ii) offer a buyback price at a 1% discount to net underlying asset values for Shareholders participating in the Buyback (**Buyback Participants**) whilst protecting the position and value proposition for non-participating Shareholders.

The \$8.5 million aggregate maximum amount for the Share Buyback has been determined based on feedback from Shareholders and after considering all of the circumstances, including:

- (i) being of a sufficient size to allow participation in the Share Buyback by as many of those Shareholders who apply as possible; and
- (ii) ensuring the Company retains sufficient funds to remain solvent, to not prejudice its ability to continue to pay its creditors, and to pursue the new investment strategy following implementation of the Proposed Restructure.

(c) Details of the Share Buyback

The terms of the Share Buyback are as contained in the offer letter and other documentation between the Company and the Buyback Participants, templates of which are attached to this Notice of Meeting as Annexure B (together, **Share Buyback Documentation**).

(d) Class ruling

The Company is in the process of seeking a class ruling on the tax treatment and split of the Share Buyback Price between capital and deemed dividends for the Company and the Buyback Participants.

If the application for a class ruling is approved, then Australian resident Buyback Participants will receive a payment for their Shares that will consist of a capital component of 92 cents per Share with the balance representing a fully franked dividend per Share.

If the application for a class ruling is not approved in its current form, then the payment to Australian resident Buyback Participants will need to be determined based on the position of the Australian Taxation Office, with the percentages attributable to capital, franked dividend and unfranked dividend to be determined and advised to Buyback Participants in due course.

This Section does not constitute tax, financial or any other form of advice which may be relied upon, and does not take into account Shareholders' individual circumstances, investment objectives, financial situation or specific needs. Accordingly, all Shareholders should obtain their own independent taxation and financial advice regarding the taxation, financial and other implications of participating in the Share Buyback given the particular circumstances which apply to them.

(e) Advantages of Share Buyback

The key advantages of the Share Buyback are as follows:

- (i) It will be conducted on an equal access basis;
- (ii) The provision of some liquidity for the Company's Shares. There is a limited market for the Company's Shares as the Company is unlisted and majority owned by CVC Limited. The Share Buyback gives Buyback Participants an ability to exit their investment in the Company; and
- (iii) The Share Buyback provides Shareholders (should they chose to participate) with a potential exit or way to decrease their interest/exposure, if they do not wish to participate in the proposed change in the Company's investment philosophy as described in this Notice of Meeting.

(f) Disadvantages of Share Buyback

The key disadvantages of the Share Buyback are as follows:

- (i) Reduction of the cash balance of the Company, limiting future investment opportunities. The Company intends to fund payment of the Share Buyback Price to Buyback Participants out of the cash on hand. If the maximum number of Shares are bought back by the Company, the Company's cash disbursement in that regard would be reduced by \$8.5 million;
- (ii) At the completion of the Share Buyback, the largest Shareholder, CVC Limited, may, as a consequence of the Share Buyback, increase its percentage holding of the Shares from 55% to approximately 84%. This will mean that, other than in circumstances where it is excluded from voting, CVC Limited will be able to pass both ordinary and special resolutions. In addition there is a possibility that the liquidity of the Company's Shares could be further decreased as a result of the increase in CVC Limited's Shareholding as potential investors may be dissuaded from investing as a result of the level of CVC Limited's control; and
- (iii) Buyback Participants will not be eligible to receive the Loyalty Dividend.

(g) Terms of Share Buyback

- (i) Eligibility to participate: the Company will make the offers under the Share Buyback to all Shareholders, including any Optionholder who exercises its Options at least 2 business days prior to the closing date.
- (ii) Price: the Company will offer to buy back Shares at the Share Buyback Price to be determined at the Snapshot Date as described below.
- (iii) Equal access: the Company will purchase the same percentage of each Buyback Participant's Shares tendered into the Share Buyback. Each Shareholder who accepts the Share Buyback offer may do so in relation to any percentage of their Shares.

- (iv) **Maximum number of Shares:** the maximum number of Shares to be purchased under the Share Buyback will be such that the amount applied to buy back Shares under the Share Buyback will be no more than \$8.5 million in aggregate. If the Company receives acceptances for more than the maximum number, an equal scale-back will apply to all valid acceptances received.
- (v) **Period of offer availability:** the Share Buyback will commence from 24 November 2015 and end at 5.00pm on Friday 18 December 2015 (**Closing Date**). Shareholders wishing to participate in the Share Buyback must return their completed acceptance forms to the Company before the Closing Date. The Directors reserve the right to close the Share Buyback early without notice.
- (vi) **Share Buyback Documentation:** the Share Buyback Documentation provides for the transfer of the relevant Shares held by the Buyback Participants to the Company at the Share Buyback Price. Except for the requirement that the Buyback Participant is not insolvent and has good title to the Shares, the Share Buyback Documentation is unconditional.
- (h) Determination of Share Buyback Price

The Share Buyback Price will be determined as at the Snapshot Date and announced to the Meeting and detailed in the Share Buyback offers made to Shareholders after the Meeting. The Directors have determined that it is fairer to all Shareholders, given daily changing investment values, to base the Share Buyback Price on a net asset value close to the date of the Share Buyback rather than set an absolute value many weeks in advance.

The Share Buyback Price will be calculated as a 1% discount to the Diluted Net Assets per Share, as at the Snapshot Date (with the price being rounded down to the nearest half a cent).

Typically buybacks are offered at a more significant discount to net asset value per share than under this Share Buyback. The Board considers the current Share Buyback situation is atypical and therefore justifies a smaller discount to net asset value, because the proposed change in the Company's investment philosophy means the discount applied should be more reflective of a redemption discount/buy/sell spread opportunity.

The calculation of the Diluted Net Assets as at the Snapshot Date for the determination of the Share Buyback Price will be calculated in two steps:

- A Balance Sheet showing the Company's net assets based on normal accounting of the Company at the Balance Sheet Date will be prepared; and
- The net assets and number of Shares on issue will then be adjusted for the dilution effects of the 'in the money' value of Options on issue.

The following table reflects the pro forma adjustments to the 30 June 2015 audited net assets:

\$'000's	30 June 15 Audited	Subsequent Events	Revaluation	Snapshot Date
Cash	7,448	8,251		15,699
Other (net)	2,955	(4,380)		(1,425)
Tax Payable	307	(826)		(519)
Deferred Tax	479	606	(1,591)	(506)
Listed Shares	2,372	(2,372)		-
Revaluation Inv	4,722		5,304	10,026
Property Loans		-		-
<b>Net Assets</b>	<b>18,283</b>	<b>1,279</b>	<b>3,713</b>	<b>23,274</b>

**Notes on table columns above:**

30 June 2015 Audited	This column is a summary of the Company's audited 30 June 2015 Statement of Financial Position.
Subsequent Events	<p>This column reflects key specific significant transactions, and the tax effects thereon, in the period since 30 June 2015 until the date of this Notice of Meeting. These are:</p> <ul style="list-style-type: none"> <li>- the receipt of the remaining \$0.305m loan receivable from the Company's Everten investment at its 30 June 2015 book value.</li> <li>- the final buy back by Ron Finemore Transport Pty Limited of the Company's remaining shares and notes in Ron Finemore Transport Pty Limited for \$3.778m. A premium of \$0.614m compared to its carrying value at 30 June 2015 of \$3.164m.</li> <li>- the receipt of a dividend from Green's Foods Holdings Pty Limited of \$0.8m.</li> <li>- the sale of the Company's investment in various OurCrowd investee entities for \$0.996m.</li> <li>- the assumed realisation of all listed investments held at 30 June 2015 at their 30 June 2015 balance sheet value of \$2.372m.</li> </ul>
Revaluation	This column reflects revaluing of assets (including the Company's investment in Green's Foods Holdings Pty Limited and listed investments) to fair value, with the estimated tax effects.
Snapshot Date	This column is the pro forma Balance Sheet as at the Snapshot Date based on 30 June 2015 audited figures adjusted for the Subsequent Events and the Revaluation columns as explained above.

The following table is an example of how the Share Buyback Price would be calculated using pro forma adjustments:

		Shares 000's	Net Assets \$'000's
Balance Sheet as 30 June 2015		18,474	18,283
Post Balance Sheet Events			1,279
Revaluation of Investments			3,713
Options Exercised	0.65	2,650	1,723
Options Exercise Effect	0.65	500	325
<b>Diluted Shares &amp; Net Assets</b>		<b>21,624</b>	<b>25,322</b>
Diluted Adjusted Net Assets Per Share			\$ 1.1710
Less 1% Discount			\$ 1.1593
<b>Buy Back Price rounded down to nearest 1/2 cent</b>			<b>\$ 1.155</b>
Maximum Buy Back Amount			\$ 8,500,000
<b>Maximum Shares that will be bought back</b>			<b>7,359,307</b>

(i) Participation by CVC Limited

As at the date of this Notice of Meeting, CVC Limited has indicated to the Company that it does not intend to participate in the Share Buyback.

(j) Participation of Directors

As at the date of this Notice of Meeting, each Director has indicated to the Company that he does not intend to participate in the Share Buyback, except in respect of those Shares issued to them or their associates upon exercise of their Options (see Section 3.5 for further information). Shareholders should note that these are indications of the Directors' present intentions, and each Director has reserved his right to participate or not participate (as the case may be) in the Share Buyback should circumstances change.

(k) Potential impact on control of the Company

The potential impact on control of the Company as a result of the Share Buyback depends on:

- (i) the Share Buyback Price;
- (ii) the number of Buyback Participants and the extent of their participation; and
- (iii) the extent to which Options are exercised or lapse.

In order to illustrate the effect of the Share Buyback, set out below is a series of example tables showing the changes to Shareholdings as a result of the Share Buyback under different scenarios.

**Table 1:**

Assumptions:

- all Resolutions are passed;
- CVC Limited and the Directors do not participate in the Share Buyback;
- 2,650,000 Options are exercised and 500,000 Options have been bought back; and

- the Share Buyback Price is \$1.155 and the maximum number of Shares which could be bought back under the Share Buyback is 7,359,307.

Shareholder	Before the Share Buyback		After the Share Buyback, assuming 3,679,653 Shares (ie, 50% of the maximum) are bought back		After the Share Buyback, assuming 7,359,307 Shares (ie, the maximum) are bought back	
	(Relevant interest in) No. of Shares	% of total number of Shares on issue and voting power <sup>1</sup>	(Relevant interest in) No. of Shares	% of total number of Shares on issue and voting power <sup>1</sup>	(Relevant interest in) No. of Shares	% of total number of Shares on issue and voting power <sup>1</sup>
CVC Limited and subsidiaries	11,607,350	54.9%	11,607,350	66.5%	11,607,350	84.3%
Other	9,516,899	45.1%	5,837,246	33.5%	2,157,592	15.7%
<b>TOTAL</b>	<b>21,124,249</b>	<b>100.0%</b>	<b>17,444,596</b>	<b>100.0%</b>	<b>13,764,942</b>	<b>100.0%</b>

**Notes:**

1. Approximate figures. Totals may not add due to rounding.

**Table 2:**

## Assumptions:

- all Resolutions are passed;
- CVC Limited and the Directors do not participate in the Share Buyback;
- 2,650,000 Options are exercised and 500,000 Options have been bought back; and
- The Share Buyback Price is \$1.255 and the maximum number of Shares which could be bought back under the Share Buyback is 6,772,908.

Shareholder	Before the Share Buyback		After the Share Buyback, assuming 3,386,454 Shares (ie, 50% of the maximum) are bought back		After the Share Buyback, assuming 6,772,908 Shares (ie, the maximum) are bought back	
	(Relevant interest in) No. of Shares ('000's)	% of total number of Shares on issue and voting power <sup>1</sup>	(Relevant interest in) No. of Shares ('000's)	% of total number of Shares on issue and voting power <sup>1</sup>	(Relevant interest in) No. of Shares ('000's)	% of total number of Shares on issue and voting power <sup>1</sup>
CVC Limited and subsidiaries	11,607,350	54.9%	11,607,350	65.4%	11,607,350	80.9%
Other	9,516,899	45.1%	6,130,445	34.6%	2,743,991	19.1%
<b>TOTAL</b>	<b>21,124,249</b>	<b>100.0%</b>	<b>17,737,795</b>	<b>100.0%</b>	<b>14,351,341</b>	<b>100.0%</b>

**Notes:**

1. Approximate figures. Totals may not add due to rounding.

**Table 3:**

## Assumptions:

- all Resolutions are passed;
- CVC Limited and the Directors do not participate in the Share Buyback;
- 2,650,000 Options are exercised and 500,000 Options have been bought back; and

- the Share Buyback Price is \$1.055 and the maximum number of Shares which could be bought back under the Share Buyback is 8,056,872.

Shareholder	Before the Share Buyback		After the Share Buyback, assuming 4,028,436 Shares (ie, 50% of the maximum) are bought back		After the Share Buyback, assuming 8,056,872 Shares (ie, the maximum) are bought back	
	(Relevant interest in) No. of Shares	% of total number of Shares on issue and voting power <sup>1</sup>	(Relevant interest in) No. of Shares	% of total number of Shares on issue and voting power <sup>1</sup>	(Relevant interest in) No. of Shares	% of total number of Shares on issue and voting power <sup>1</sup>
CVC Limited and subsidiaries	11,607,350	54.9%	11,607,350	67.9%	11,607,350	88.8%
Other	9,516,899	45.1%	5,488,463	32.1%	1,460,027	11.2%
<b>TOTAL</b>	21,124,249	100.0%	17,095,813	100.0%	13,067,377	100.0%

**Notes:**

1. Approximate figures. Totals may not add due to rounding.

(l) Directors' recommendation

Each of the Directors declines to make any recommendation in relation to voting on Resolution 3 due to the interconnected nature of Resolution 3 with Resolution 2 (see Sections 3.5 and 3.6 for further information).

## 4 Glossary

In this Notice of Meeting, unless the context or subject matter otherwise requires:

<b>AFSL</b>	Australian Financial Services Licence.
<b>AGM or Meeting</b>	The 2015 annual general meeting of the Company to be held at the time and place specified in the Notice of Meeting.
<b>Board</b>	The board of Directors.
<b>Company</b>	CVC Private Equity Limited (ACN 059 092 198).
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth) as amended from time to time.
<b>CVC Limited</b>	CVC Limited (ACN 002 700 361).
<b>CVC Managers or Existing Manager</b>	CVC Managers Pty Ltd (ACN 108 360 372).
<b>CVC Property Managers or New Manager</b>	CVC Property Managers Limited (ACN 066 092 028).
<b>Directors</b>	The directors of the Company.
<b>Existing Management Agreement</b>	The management agreement between the Company and CVC Managers dated 29 June 1999.
<b>Explanatory Statement</b>	The explanatory statement accompanying the Notice of Meeting.
<b>Green's Foods</b>	Green's Foods Holdings Pty Limited (ACN 160 202 200).
<b>Loyalty Dividend</b>	A proposed fully franked dividend of 13 cents per Share which the Directors intend to declare and pay after implementation of the Share Buyback.
<b>LVR</b>	Loan to Value Ratio.
<b>Manager Change</b>	Has the meaning given to that term in Section 3.2(b).
<b>Name Change</b>	Has the meaning given to that term in Section 3.2(a).
<b>New Management Agreement</b>	The management agreement to be entered into between the Company and CVC Property Managers.
<b>Notice of Meeting</b>	This document, comprising the chairman's letter, notice of meeting, explanatory statement and all annexures.
<b>Option</b>	An option to subscribe for a new Share.
<b>Optionholder</b>	A holder of an Option.
<b>Proposed Restructure</b>	Has the meaning given to that term in Section 3.2.
<b>Resolutions</b>	The resolutions to be considered by Shareholders at the AGM, as set out in this Notice of Meeting.
<b>Share</b>	A fully paid ordinary share in the capital of the Company.
<b>Share Buyback</b>	Has the meaning given to that term in Section 3.2(c).
<b>Share Buyback Documentation</b>	Has the meaning given to that term in Section 3.11(c).
<b>Share Buyback Price</b>	In relation to a Share, the price per Share payable to Buyback Participants under the Share Buyback, to be determined as described in Section 3.11(h).

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<b>Shareholder</b>	A holder of a Share.
<b>Snapshot Date</b>	5:00pm (Sydney time) on 20 November 2015.
<b>VWAP</b>	Volume weighted average price.

**Annexure A: Share Buyback Documentation**

See over the page.

24 November 2015

[insert name]

[insert address]

Dear Shareholder

## **Investment Update and Equal Access Share Buyback Offer**

You will be aware that the net assets of the Company have increased significantly since the global financial crisis but that this performance substantially represents the growth in value of investments held at the start of that period with minimal new attractive private equity style investments having been identified or made. As a result, as the original investments have been realised over time, the private equity portfolio has continued to decline in size and the Company's assets have come to be more represented in cash and liquid listed investments. Since the beginning of the current financial year, the Company's last interest in Ron Finemore Transport Pty Limited was also realised and the Company now only has one private equity-style investment left, being a 10% interest in Green's Foods.

The Board and the Company's Existing Manager do not foresee any change to the investment environment for private equity on the scale and of the nature the Company could prudently commit to in the near future, with deals presented to it generally being too large, too early stage and/or too intangible based for it to responsibly execute. The Board has also considered whether to seek to wind up the Company as an alternative. However, in the absence of a realisation of the Green's Foods investment, which is difficult for the Company to achieve unilaterally or otherwise given the restrictions in the Green's Foods Shareholders Deed and the consequent limitation on any unilaterally exercisable rights of realisation of the Company in this regard, the Board considers such a wind up process would likely be suboptimal in value and/or uncertain in duration for our Shareholders.

At the same time, as the Company has struggled to source suitable private equity investments, the Company is aware the proposed New Manager, CVC Property Managers, (as distinct from the more broadly mandated Company's Existing Manager), has significant expertise in, and access to a pipeline of, property focussed investments, and in particular property mezzanine and joint venture funding opportunities.

In these circumstances, the Board has identified the opportunity:

- to reinvent and expedite the re-focus the Company as a property funder / investor, giving Shareholders an attractive priority opportunity to participate in potentially higher returns; and
- to provide a redemption-type buyback opportunity for those Shareholders who do not wish to participate in the proposed change in the Company's investment philosophy.

**In order to facilitate a change in the Company's investment focus from a private equity focus to a property funding focus, the Board has resolved to implement an equal access share buyback**

**program (Buyback Program) to provide an opportunity for those shareholders who do not wish to participate in the Company's new investment strategy, to realise their investment in the Company. It should be noted that the Buyback Program is entirely voluntary and shareholders do not have to do anything if they do not wish to participate.**

Any information given by the Company in connection with the Buyback Program is general information only and this letter and the accompanying Disclosure Statement should not be construed as personal financial product advice or financial, taxation, legal or other professional advice. The Company is not licensed to provide financial product advice in relation to the Buyback Program.

As participation in the Buyback Program is likely to have tax and financial consequences which will depend upon your individual circumstances, the Company encourages you to carefully consider participating in the Buyback Program and to consider obtaining your own financial advice from an independent person and such other taxation, legal and/or other professional advice as you believe necessary, before deciding whether or not to accept the offer to participate in the Buyback Program.

The Company and its subsidiaries (and their officers, employees, consultants, agents or associates) are not responsible if you act solely on the information provided to you in relation to the Buyback Program.

This letter and the accompanying Disclosure Statement has been prepared to set out all information known to the Company which is material to a decision on whether to participate in the Buyback Program.

**The Company reserves the right to withdraw the Buyback Program at any time should it deem it appropriate to do so (including after Acceptance Forms and Share Transfer Forms have been received). Following receipt of the Acceptance Forms and Share Transfer Forms, the Company will in any event notify participants in writing that the Company is either:**

- a) completing the Buyback Program and specifying the number of shares to be bought from the participants (subject to scale back); or**
- b) withdrawing the Buyback Program.**

**If you would like to participate in the Buyback Program, please sign and return the attached Acceptance Form and Share Transfer Form to indicate your acceptance of the Company's offer to buyback up to 100% of your ordinary shares in the Company, subject to scale back, all in accordance with the provisions set out in this letter and the accompanying Disclosure Statement.**

By signing and returning the Acceptance Form and Share Transfer Form you further authorise the Company to complete and date the Share Transfer Form upon the Company completing its determination as to whether any scale back is required and if so to what extent.



Accordingly, if you wish to accept the offer to you, please retain a copy of this letter, and return:

- 1) the original Acceptance Form, duly signed by you; and
- 2) the original Share Transfer Form duly signed by you (do not insert any details – the Company will complete this form in accordance with the provisions of the offer to you in this letter),

to the Company's registered office at Level 6, Gold Fields House, 1 Alfred Street, Sydney NSW 2000 before 5.00pm on Friday 18 December 2015.

For further information regarding the Buyback Program, please contact John Hunter at the Company on (02) 9087 8000.

Yours faithfully  
CVC Private Equity Limited

A handwritten signature in black ink, appearing to read "Elliott Kaplan", with a horizontal line extending to the right.

Elliott Kaplan  
Managing Director

## DISCLOSURE STATEMENT

This Disclosure Statement sets out the information known to the Company which is material to a decision of a shareholder on whether to participate in the Buyback Program.

This Disclosure Statement is an important document. Please read it carefully.

### **1. Number of shares on issue**

The Company currently has 18,474,249 shares and 3,150,000 options on issue. It is intended that approximately 2,650,000 options will be exercised at least 2 business days prior to the Buyback Program closing date and the Board has resolved that the remaining 500,000 Options will be bought back by the Company for a price directly corresponding to and achieving the same value outcome for those Optionholders as provided to the Shareholders participating in the Buyback Program.

### **2. Interests of Company officers**

None of the officers of the Company have any interests in the Buyback Program (other than as holders of securities in the Company).

### **3. Source of funds for the Buyback**

The Company proposes to fund the Buyback Program from its existing cash resources.

### **4. Particulars about the terms of the Buyback**

The key details of the Equal Access Share Buyback Offer are as follows:

- a) **Eligibility to Participate:** the Company is making the offers under the Buyback Program to all shareholders holding ordinary shares in the Company.
- b) **Equal Access:** the Company will purchase the same percentage of each participant's ordinary shares.
- c) **Acceptance:** Each shareholder who accepts the buyback offer must do so in relation to 100% of their ordinary shares in the Company.
- d) **Maximum Number of Shares:** the maximum number of shares to be purchased under the Buyback Program will be such that the amount applied to buy back shares under the Buyback Program will be no more than \$8.5 million in aggregate. If the Company receives acceptances for more than the maximum number, an equal scale-back will apply to all valid acceptances received.
- e) **Price:** the price per share offered by the Company under the Buyback Program will be calculated at a 1% discount to the diluted net assets per share as at 5.00pm (Sydney time) on 20 November 2015 (**Snapshot Date**), with the price being rounded down to the nearest half a cent.

The calculation of the diluted net assets as at the Snapshot Date for the determination of the price per share under the Buyback Program will be calculated in two steps:

- A balance sheet showing the Company's net assets based on normal accounting of the Company will be prepared; and
- The net assets and number of shares on issue will then be adjusted for the dilution effects of the 'in the money' value of Options on issue.

**f) Period of Offer Availability:** the Buyback Program will commence from 24 November 2015 and end at 5.00pm on Friday 18 December 2015 (**Closing Date**). Shareholders wishing to participate in the Buyback Program must return their completed acceptance forms to the Company before the Closing Date.

**g) Notification:** Following the Closing Date, the Company will notify each participant in writing:

- i. that the Company is to complete the Buyback Program and the number of shares the participant is to sell to the Company under the Buyback Program (whether all of their shares or a scaled back amount pursuant to a scale back of acceptances by the Company if necessary); or
- ii. that the Company is withdrawing the Buyback Program.

#### **5. Date of Buyback of your shares**

The date of the buyback of your shares will be the date of the Notification to you referred to above.

#### **6. Disclosure of information**

The directors consider that this Disclosure Statement contains all material information known to the Company that could reasonably be required by shareholders in deciding on whether to participate in the Buyback Program, other than information that it would be unreasonable to require the Company to disclose because the Company has previously disclosed the information to its shareholders.

**EQUAL ACCESS SHARE BUYBACK**

**CVC PRIVATE EQUITY LIMITED (COMPANY)**

**ACCEPTANCE FORM**

**A. Acceptance for all Ordinary Shares**

In respect of all of the ordinary shares I/we hold in the Company, I/we hereby accept the offer to participate in the Buyback Program in the manner specified in the offer letter addressed to me/us and dated 24 November 2015 and the accompanying Disclosure Statement.

**B. Acknowledgment of Offer Condition**

I/we acknowledge that this offer is conditional on the Company completing the Buyback Program following the Closing Date. I/we understand that the Company will notify me/us in writing that the Company intends to complete or withdraw the Buyback Program following the Closing Date.

**C. Acknowledgement of Scale Back**

I/we acknowledge that the Company may not buy back 100% of the ordinary shares that I/we have accepted to sell if it receives acceptances for a total number of ordinary shares that would result in the Company being required to pay more than \$8.5 million in aggregate to buy back those ordinary shares. In that case the Company will scale back the number of ordinary shares to be bought back from each participant as detailed in the Disclosure Statement.

**D. Date of Buyback of Shares**

I/we agree that the date of the buyback of my/our shares will be the date the Company notifies each participant in writing that the Company intends to complete the Buyback Program and specifying the number of shares the participant is to sell to the Company under the Buyback Program.

**E. Share Transfer Form**

I/we authorise the Company to complete and date the Share Transfer Form upon the Company completing its determination as to whether any scale back is required and if so to what extent.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature (if necessary)

\_\_\_\_\_  
Name and Title

\_\_\_\_\_  
Name and Title (if necessary)

Name of Shareholder:

Date:

**Return of Acceptance Form**

This Acceptance Form must be received at the Company's registered office at Level 6, Gold Fields House, 1 Alfred Street, Sydney NSW 2000 before 5.00pm on 18 December 2015.

DRAFT

# SHARE TRANSFER FORM

Duty stamp here

## FULL NAME OF CORPORATION

**Name:**  
CVC PRIVATE EQUITY LIMITED (ACN 059 092 198)

**Place of registration:**  
New South Wales

## DESCRIPTION OF SECURITIES

**Class:**  
Ordinary Shares

**If not fully paid, paid to:**  
N/A

## QUANTITY

**Words:**

**Figures:**

## FULL NAME(S) OF TRANSFEROR/SELLER

[Insert name of Shareholder]

## CONSIDERATION

**Consideration:**

**Date of transfer/purchase:**

## FULL NAME(S) OF TRANSFEREE/BUYER

CVC PRIVATE EQUITY LIMITED (ACN 059 092 198) of Level 6, Gold Fields House, 1 Alfred Street, Sydney NSW 2000.

The Transferor, being the registered holder of the above securities, transfers to the Transferee those securities for the above consideration or price, subject to the conditions on which they are held at the time of the signing of this transfer. The Transferee agrees to accept the securities subject to those conditions and to be bound by the Constitution of the Corporation.

## SIGNATURE

If the Shareholder is a natural person, use the following signature block

EXECUTED by [Insert Name] [as Trustee for]

**Date signed:** 2015

.....  
Witness

.....  
[Insert Name]

.....  
Name

If the Shareholder is a corporation, use the following signature block

EXECUTED by [Insert Name] [as Trustee for]

in accordance with section 127 of the *Corporations Act 2001* (Cth):

**Date signed:** 2015

.....  
Director/Secretary

.....  
Director

.....  
Name

.....  
Name

**EXECUTED** by **CVC PRIVATE EQUITY LIMITED (ACN 059 092 198)**  
in accordance with section 127 of the *Corporations Act 2001* (Cth):

**Date signed:** 2015

.....  
Director/Secretary

.....  
Director

.....  
Name

.....  
Name

DRAFT