

# HEADLINE

*Group Limited*

ACN 060 199 082

Registered Office: C/- McBurney & Partners, Level 10, 68 Pitt Street, Sydney NSW 2000  
Telephone: (02) 9230 0808; Facsimile: (02) 9230 0807

28 October, 2008

**For immediate release to the market**

## **Notice of Annual General Meeting**

This announcement is to advise that Headline Group Limited ("Company") is today mailing to its shareholders Notice of Annual General Meeting and Proxy Form, the meeting to be held on 28 November, 2008. A copy of the Notice is attached to this letter.

The Company's Annual report for the period ended 30 June, 2008 was lodged with ASX and released by ASX to the market on 25 September, 2008.

Copies of the Company's Annual Report are being mailed with the Notice of Annual General Meeting to those shareholders who have requested copies.

The Company's Annual Report has been posted on the Company's website at [www.headlinegroup.com.au](http://www.headlinegroup.com.au). Those shareholders who have elected to receive their copies of the Company's Annual Report electronically will be emailed a link to the Company's website.

**Headline Group Limited**



Ian Gordon  
Company Secretary

# HEADLINE

Group Limited

[www.headlinegroup.com.au](http://www.headlinegroup.com.au)

Date 24 October 2008

Dear Shareholder,

We herewith enclose our Financial Report for 2008, along with the Notice of Annual General Meeting (if you have elected to receive the report electronically, your Financial Report is available online, simply visit [www.headlinegroup.com.au/shareholders.html](http://www.headlinegroup.com.au/shareholders.html)). We have also enclosed a proxy form and reply paid envelope to enable you to vote if you are unable to attend the AGM which will be held on Friday, 28 November 2008 at 9:00am at the offices of our auditors PKF, Level 10, 1 Margaret Street, Sydney.

In order to further streamline the business and its costs, a decision was made by the Board to realign Headline's financial year to bring in line with the taxation year being 1<sup>st</sup> July to 30<sup>th</sup> June. As such, this Report pertains to a short **six month** trading period.

Headline Group Limited reported a net operating loss before tax of \$1.06 million for the six months ended 30 June 2008. This compares to a net operating loss before tax of \$2.35 million in the twelve months ended 31 December 2007.

It should be noted that the loss of \$1.06 million is after a provision of \$520,000 for disputed royalty claim. We took a very conservative approach in line with accounting standards and provided for the full amount. Excluding this claim, the net trading loss before tax is \$540,000. Having said this, the royalty claim was finally settled for \$267,000 in early October 2008.

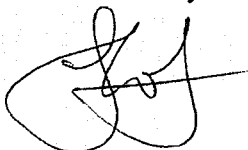
We are now in the position of being debt free and of having healthy cash reserves of \$7.1 million. Furthermore, settlement on one of the two properties in Lisarow, NSW is expected to be soon with a cash surplus of circa \$2.7 million to be added onto our cash reserves.

The Board is actively assessing several investment opportunities and the Company's sound balance sheet places it in a strong position to take advantage of the reduced valuations likely to emerge in this period of economic uncertainty.

The Board expects the Company to be trading cash positive in the current financial year.

On behalf of the Board, I thank shareholders for their continuing support.

Yours sincerely



**Gordon Elkington**  
**Managing Director**

For personal use only

**HEADLINE GROUP LIMITED**  
**ACN 060 199 082**

**NOTICE OF ANNUAL GENERAL MEETING**  
**EXPLANATORY STATEMENT**  
**AND**  
**PROXY FORM**

**For a meeting to be held on 28 November 2008**  
**at 9.00 a.m.**

**PKF, Level 10**  
**1 Margaret Street**  
**Sydney NSW 2000**

## NOTICE OF ANNUAL GENERAL MEETING

### Headline Group Limited ACN 060 199 082

Notice is hereby given that the Annual General Meeting of the shareholders of Headline Group Limited ("the Company") will be held at **PKF, Level 10, 1 Margaret Street, Sydney on 28 November 2008 at 9.00 am.**

The purpose of the Annual General Meeting is to consider the following items of business:

#### BUSINESS

##### Financial Report

To receive and consider the Financial Report of the Company for the period ended 30 June 2008 and the reports and statements of the directors and auditors thereon, in accordance with the Corporations Act 2001.

##### Resolutions

To consider, and if thought fit, pass the following resolutions as ordinary resolutions:

**1. Re-Election of Director – Mr George Choo**

"That Mr George Choo, being a director of the Company who retires by rotation in accordance with the Company's Constitution and, being eligible, is re-elected as a director of the Company"

**2. Approval of Remuneration Report (non-binding resolution)**

"That the Remuneration Report for the period ended 30 June 2008 be adopted."

##### Other Business

To deal with any other business that may be legally brought forward.

#### ELIGIBILITY TO VOTE

The Board has determined that for the purposes of this meeting, shareholders will be taken to be the persons recorded on the Company's register of ordinary shareholders at **5:00 p.m. on 25 November 2008.**

**PROXIES**

A member entitled to attend and vote at the Annual General Meeting may appoint 1 or 2 persons to attend and vote at the meeting as the member's proxy.

A proxy need not be a member. If 2 proxies are appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights.

A proxy's authority to speak and vote for a member at the meeting is suspended if the member is present at the meeting.

Proxies may only be appointed by returning the enclosed proxy form to the Secretary at the Company's registered office, C/- McBurney & Partners, Level 10, 68 Pitt Street, Sydney NSW 2000, or by fax on (02) 9230 0807 **by no later than 9.00 am on 26 November 2008**. Please ensure both sides of the form are faxed.

The proxy form must be signed by the member or an attorney duly authorised in writing. If the member is a Company, the form must be executed under the seal of the Company or by its duly authorised officer(s) or attorney.

By order of the Board.



Ian Gordon  
Secretary

DATED this 24th day of October 2008

## **EXPLANATORY STATEMENT**

### **1. INTRODUCTION**

#### **1.1 Voting on the Resolutions**

You are encouraged to attend and vote at the meeting of shareholders. If you are unable or do not wish to attend, you can vote by completing and returning the enclosed proxy form.

Details of how to complete the proxy form are contained on the form. Proxy forms are to be received at our registered office, C/- McBurney & Partners, Level 10, 68 Pitt Street, Sydney NSW 2000 or by fax on (02) 9230 0807, **by no later than 9.00 am 26 November 2008.**

### **2. INFORMATION ON THE ITEMS OF BUSINESS**

#### **2.1 General**

Shareholders have received this Notice of Annual General Meeting incorporating this Explanatory Statement, outlining the business for the Annual General Meeting.

The business of the meeting deals with 2 resolutions.

Provided below are details of each of the Resolutions and an explanation of the purpose of each resolution.

#### **2.2 Item 1**

##### **Receive and consider the Financial Statements.**

In accordance with the Corporations Act 2001, shareholders will be given a reasonable opportunity at the AGM to ask questions and make comments on the financial statements and reports and on the business operations and management of the Company.

During the discussions on this item, the Company's auditor will be present and available to answer qualifying questions.

#### **2.3 Resolution 1**

##### **Re-Election of Director – Mr George Choo**

**In accordance with article 6.3 of the Company's Constitution, Mr George Choo retires by rotation and, being eligible, offers himself for re-election at the Meeting.**

Mr George Choo is also the Chief Financial Officer, a member of the Audit Committee and an additional Company Secretary of Headline Group. He has held senior positions both in Australia and overseas prior to joining Headline and holds qualifications in Accounting and EDP.

The Directors, other than Mr Choo, recommend that shareholders vote in favour of this resolution.

## 2.4 Resolution 2

### Receive and consider the Remuneration Report.

In accordance with S250R(2) of the Corporations Act, a resolution must be put to the shareholders at the Annual General Meeting that the Remuneration Report of the company be adopted.

The Remuneration Report sets out the remuneration policy for the Company and explains remuneration arrangements in place for executive and non-executive directors and senior executives.

It should be noted that under the Corporations Act, this resolution is not binding on the Directors of the Company.

## 2.5 Questions and comments by Shareholders at the Meeting

In accordance with the Corporations Act a reasonable opportunity will be given to shareholders at the meeting to ask questions or make comments on the management and operation of the company.

Similarly a reasonable opportunity will be given to shareholders to ask the Company's Auditor for the 2008 period, PKF, questions relevant to the conduct of the audit and the Auditor's report.

## 3. VOTING AND ELIGIBILITY

### 3.1 Introduction

This section contains information on how shareholders can vote on the Resolutions.

### 3.2 Quorum

For there to be a quorum at the meeting of shareholders, there must be at least two shareholders present in person or by proxy.

### 3.3 Eligibility to Vote

Shareholders who are registered as at **5:00 p.m. on 25 November 2008** will be eligible to vote on the Resolutions. Accordingly, transactions registered after that time will be disregarded in determining the members entitled to attend and vote at the meeting.

### 3.4 Majorities Required

All Resolutions to be put at this meeting will be put as Ordinary Resolutions. Ordinary Resolutions will only be passed if at least 50% of the votes cast by shareholders entitled to vote on the Ordinary Resolutions are voted in favour of the Resolutions.

Resolutions put at this meeting will be decided on a show of hands unless a poll is demanded before or immediately after the declaration of the result of the show of hands by:

- (i) the chairman of the meeting;
- (ii) no less than five members having the right to vote at the meeting;
- (iii) a member or members representing not less than one tenth of the total voting rights of all members having the right to vote at the meeting; or
- (iv) a member or members holding shares conferring the right to vote at the meeting being shares on which an aggregate sum

has been paid up equal to not less than one tenth of the total sum paid up on all shares conferring that right.

**3.5 Results of Meeting**

It is intended that the results of the votes will be announced at the meeting.

**3.6 Any Questions**

If you have any queries about voting or proxies or any questions regarding the Resolutions, please call the Company Secretary, Mr. Ian Gordon on (02) 9230 0808.

## Lodge your vote:



### By Mail:

Company Secretary C/- McBurney & Partners  
Level 10, 68 Pitt St Sydney  
New South Wales 2000 Australia

Alternatively you can fax your form to  
61 2 9230 0807

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form

**For your vote to be effective it must be received by 9.00am Wednesday 26 November 2008**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.computershare.com](http://www.computershare.com).

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** →



View the annual report or update your securityholding, 24 hours a day, 7 days a week:

[www.headlinegroup.com.au/shareholders.html](http://www.headlinegroup.com.au/shareholders.html)

- Access the annual report
- Review your securityholding
- Update your securityholding

**Your secure access information is:**

**SRN/HIN:**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Headline Group Limited hereby appoint

the Chairman of the meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Headline Group Limited to be held at PKF, Level 10, 1 Margaret Street, Sydney NSW 2000 on Friday, 28 November 2008 at 9.00am and at any adjournment of that meeting.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

- 1 To re-elect Mr George Choo as a director of the Company
- 2 To approve the Remuneration Report for the year ended 30 June 2008

	For	Against	Abstain
1	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name \_\_\_\_\_

Contact Daytime Telephone \_\_\_\_\_

Date \_\_\_\_ / \_\_\_\_ / \_\_\_\_