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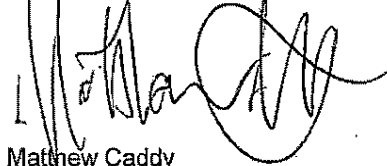
CORPORATE RECOVERY

Fax

To: Company Announcements Office **From:** Matthew Caddy
Company: Australian Stock Exchange **Email:** mcaddy@mcgrathnicol.com
Fax: 1300 135 638 **Telephone:** 03 9038.3157
Date: 14 November 2011 **Page:** 1 of 5 pages
Subject: **Verticon Group Limited (Subject to deed of company arrangement)**
ACN 111 398 040 (ASX:VGP)
Shareholder Update

Please refer to attached for Company announcement.

Yours faithfully



Matthew Caddy
Deed Administrator

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CORPORATE RECOVERY

**VERTICON GROUP LIMITED (SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 111 398 040 (ASX:VGP)
SHAREHOLDER UPDATE**

ASIC Relief From Requirement to Hold An Annual General Meeting

Under subsection 250PAB(4) of the *Corporations Act 2001*(Cth) (Act), the Australian Securities and Investments Commission (ASIC) on 10 November 2011 granted Verticon Group Limited (subject to deed of company arrangement) ACN 111 398 040 (Company) an exemption from section 250N of the Act.

Section 250N of the Act relates to the responsibility of the Company to hold an Annual General Meeting at least once in each calendar year and within 5 months after the end of the Company's financial year.

A copy of the relief instrument issued by ASIC is attached to this announcement.

ASIC Relief From Financial Reporting Obligations

Under section 340(1) of the Act, ASIC on 10 November 2011 also granted relief to the Company from Part 2M.3 of the Act for the financial year ending 30 June 2011 and the half year ending 31 December 2011.

A copy of the relief instrument issued by ASIC is attached to this announcement.

Deed of Company Arrangement and Recapitalisation Update

The Company entered into an agreement with RAK Capital Pty Ltd (RAK) to recapitalise the Company on 17 August 2011 (Recapitalisation Deed). Following resolution by the creditors of the Company to execute a deed of company arrangement (DOCA) under section 439C(a) of the Act, and pursuant to the Recapitalisation Deed, the Company executed a DOCA on 6 September 2011. The DOCA is subject to satisfaction of a number of conditions precedent including obtaining shareholder approval in favour of the recapitalisation proposal.

Matthew Caddy
Deed Administrator
14 November 2011

11-1190

**Australian Securities and Investments Commission
Corporations Act 2001 – Subsection 250PAB(4) – Exemption**

Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 250PAB (4) of the *Corporations Act 2001* (the *Act*).

Title

2. This instrument is ASIC Instrument 11-1190.

Commencement

3. This instrument commences on the day it is signed.

Order

4. ASIC relieves Verticon Group Limited (subject to deed of company arrangement) ACN 111 398 040 (the *company*) from section 250N of the Act in relation to the annual general meeting of the company for the calendar year ending 31 December 2011.

Where this order applies

5. This order applies:
 - (a) for so long as the company maintains arrangements for answering, free of charge, reasonable enquiries from its members about the consequences of the external administration of the company; and
 - (b) provided on or about the date of this instrument, the company gives to ASX Limited ACN 008 624 691 (*ASX*) for publication, a copy of this order.

Where this order ceases to apply

6. This order ceases to apply at the earlier of:
 - 3 months after reinstatement to quotation if, after the commencement of this instrument, the company's securities are reinstated to quotation under ASX Listing Rule 17; or
 - 10 August 2012

Interpretation:

In this instrument:

deed of company arrangement means the deed of company arrangement dated 6 September 2011 between the company and Peter Anderson and Matthew Caddy in their capacities as administrators.

Dated: 10 November 2011



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Signed by Pamela Kaye Smith
as a delegate of the Australian Securities and Investments Commission

11-1189

**Australian Securities and Investments Commission
Corporations Act 2001 - Subsection 340(1) - Order**

Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 340(1) of the *Corporations Act 2001* (the *Act*).

Title

2. This instrument is ASIC Instrument 11-1189.

Commencement

3. This instrument commences on the day it is signed.

Order

4. ASIC relieves Verticon Group Limited (subject to deed of company arrangement) ACN 111 398 040 (the *company*) from Part 2M.3 of the Act for the financial year ending 30 June 2011 and the half year ending 31 December 2011.

Where this order applies

5. This order applies:
 - (a) for so long as the company maintains arrangements for answering, free of charge, reasonable enquiries from its members about the consequences of the external administration of the company; and
 - (b) provided the company notifies the ASX Limited ACN 008 624 691 on or about the date of this instrument of the effect of this instrument.

Where this order ceases to apply

6. This order ceases to apply at the earlier of:
 - reinstatement of the company's securities to quotation under ASX Listing Rule 17, if, after the commencement of this instrument, the company's securities are reinstated to quotation; or
 - 10 May 2012.

Dated: 10 November 2011



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Signed by Pamela Kaye Smith
as a delegate of the Australian Securities and Investments Commission