Our reference
AJL/MJPRES16099-9070625

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6 September 2010

By fax: 1300 135 638

Company Announcements Office
ASX Limited

Dear Sir/Madam

Takeover offer by Armidale Investment Company Pty Ltd for Wallace Absolute Return Limited – increase of offer consideration and automatic extension of offer period

We act for Armidale Investment Company Pty Ltd ACN 143 917 088 (**AIC**) in relation to its off-market takeover offer for all the shares in Wallace Absolute Return Limited ACN 100 854 788 (**WAB**).

We **attach** a notice of variation lodged with ASIC and sent to WAB on 6 September 2010.

Yours faithfully
Corrs Chambers Westgarth

per

Andrew Lumsden
Partner

attachment

Armidale Investment Company Pty Ltd
ACN 143 917 088

Notice under section 650D(1) *Corporations Act 2001* (Cth)

Variation of offer – increase of offer consideration

To: Australian Securities and Investments Commission (**ASIC**);

Wallace Absolute Return Limited ACN 100 854 788 (**WAB**); and

each person to whom an offer was made pursuant to the bidder's statement dated 25 June 2010 issued by Armidale Investment Company Pty Ltd ACN 143 917 088 (**Bidder's Statement** and **AIC**) in relation AIC's takeover offer dated 12 July 2010 for all the ordinary shares in WAB (**Offer**).

Increase of Offer consideration

AIC gives notice under section 650D(1) of the *Corporations Act 2001* (Cth) (**Act**) that:

(a) it varies the Offer by increasing the consideration under the Offer to $0.075 a share; and

(b) accordingly, the Offer is varied by replacing the amount "$0.073" with the amount "$0.075" in each place in which it appears in section 1 of (and in every other place in which it appears in) the Bidder's Statement and Acceptance Form as varied by the notice of variation dated 2 August 2010.

Funding the Offer consideration

AIC confirms that this increase to the Offer consideration will not affect its ability to fund the Offer as set out under the "Funding the Increased Consideration" section in its notice of variation dated 2 August 2010.

Automatic extension of the Offer

The Offer was due to close at 7:00pm (Sydney time) on 13 September 2010. This notice of increase in the Offer consideration is given within the last 7 days of the Offer period, and accordingly, the Offer period is extended by 14 days from today's date under section 624(2) of the Act. The Offer period will now close at midnight (Sydney time) on 20 September 2010.

Status of conditions

Please note that on 3 September 2010, AIC lodged a notice under section 630 of the Act stating that the Offer was free from all defeating conditions.

Lodgement with ASIC

A copy of this notice was lodged with ASIC on 6 September 2010. ASIC takes no responsibility for the contents of this notice.

Date: 6 September 2010

Signed for and on behalf of AIC pursuant to a resolution passed by the sole director of AIC by:

Mark Smith
Sole Director