

**Notice of Extraordinary General Meeting**  
**and Explanatory Notes**

**PENGANA MANAGERS TRUST ARSN 111 911 892**  
**PENGANA MANAGERS LIMITED ABN 59 108 437 592**

## **Pengana Managers Limited ("PML") and Pengana Managers Trust ("PMT") – Notices of Meeting**

The meetings commence at 10 am on 22 November 2005 at the Registered Office of PML, Suite 3, Level 29, 20 Bond Street, Sydney.

The business to be considered at the meetings of the two entities is:

- the approval for an amendment to the Trust Deed of the Pengana Managers Trust to allow for the trust to buyback securities and to change the name of PMT to Pengana HedgeFunds Trust; and
- to change the name of Pengana Managers Limited to Pengana HedgeFunds Limited.

*The directors of PML and the directors of RE of PMT recommend that investors vote in favour of all resolutions proposed by them.*

### **Meeting Procedure**

The Meetings for each of PML and PMT will be conducted simultaneously subject to the discretion of the Chairman to adjourn or reconvene any specific meeting. Each resolution will be voted on separately.

### **How to vote**

#### **Voting in Person**

*If you are proposing to attend the meetings and vote there is no need for you to take any further action at this time.*

#### **Voting by Corporate Representative**

*Corporate security holders should complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Pengana security registry, Registries Limited, by calling (02) 9290-9600.*

#### **Voting by Proxy**

*If you are not attending the meetings and wish to vote you must complete and lodge the Proxy form.*

*A reply paid envelope is enclosed for the return of voting form.*

## **Notice of General Meeting for Pengana Managers Trust**

**NOTICE IS GIVEN** that Aurora Funds Management Limited ABN 69 092 626 885 (the responsible entity of the Pengana Managers Trust) will hold a meeting of the unitholders of Pengana Managers Trust at the Registered Office of PML, Suite 3, Level 29, 20 Bond Street, Sydney on 22 November 2005 at 10 am to transact the following business:

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

### **Resolution 1 – Securities Buyback and Change of Name**

To pass the following as a special resolution:

"THAT the Deed Poll establishing the Pengana Managers Trust be amended by supplemental deed in the form tabled by the Chairman (relevant details of which amendments are as set out in the supplemental deed produced to the meeting and signed by the Chairman of the meeting for the purposes of identification) IS APPROVED".

BY ORDER OF THE BOARD OF THE RESPONSIBLE ENTITY

Company Secretary

**18<sup>th</sup> October, 2005**

Sydney NSW 2000

**Notice of General Meeting for  
Pengana Managers Limited (“PML”)**

**NOTICE IS GIVEN** that a meeting of the shareholders of PML will be held at the Registered Office of PML, Suite 3, Level 29, 20 Bond Street, Sydney on 22 November 2005 at 10 am to transact the following business:

To consider, and if thought fit, pass the following resolution:

**Resolution 1 – Change of Name**

To pass the following as a special resolution:

"THAT for the purpose of section 157 of the *Corporations Act* 2001 (Cth), the name of PML be changed to Pengana HedgeFunds Limited IS APPROVED".

BY ORDER OF THE BOARD OF DIRECTORS

Company Secretary

**18<sup>th</sup> October 2005**

SydneyNSW2000

# Explanatory Notes and Statement to Members on the Pengana Group Notices of Meeting

## General

These explanatory notes consider the resolutions together as the substance of the matters being proposed at each of the meetings are common to both entities in the Pengana Managers Group ("*the Group*").

## PMT Resolution 1 - Buy-back of Stapled Securities

### *Introduction*

The Directors of the RE of PMT and the directors of PML believe that it is desirable that the Group has the ability to propose and implement (subject to compliance with any applicable requirements the *Corporations Act 2001 (Cth) (Act)* and the ASX Listing Rules) buy-backs of the Group's stapled securities.

Under the Act, a trust such as PMT can offer its unit holders an ability to withdraw from the trust (including by way of a buy-back) if, amongst other things, the trust's constitution provides for such withdrawal rights. PMT's Constitution currently does not provide unit holders with any withdrawal rights while the trust is listed on ASX. Resolution 1 is a special resolution to amend the Constitution of PMT to enable it to buy-back its units.

A company such as PML does not need specific powers in its constitution to buy-back shares as the Act already provides companies with such a power.

As the shares in PML are stapled to the units in PMT on a one-for-one basis (together the "*Stapled Securities*"), any buy-back of a share in PMT must also involve the buy-back of the unit which is stapled to that share, and vice versa. If the resolution altering PMT's Constitution is approved, and the Group subsequently wishes to proceed with a buy-back of the Stapled Securities, the board of PML and the RE must co-operate to ensure that the buy-back is implemented in this way.

A copy of the proposed Supplemental Deed is attached to these explanatory notes.

### *Consequences of approving PMT Resolution 1*

If Resolution 1 on the PMT notice of meeting is approved, nothing will happen to your Stapled Securities. If the Group wishes to propose a buy-back of Stapled Securities, details of the buy-back offer will be communicated to security holders.

Depending on the terms of that offer, securityholder approval may be required before the buy-back can proceed. For example, a proposal to buy-back more than 10% of a company's shares in any 12 month period requires the approval (by way of an ordinary resolution) of the company's shareholders.

Any security holder can elect not to accept any buy-back offer that may be made to them. If they elect not to accept a buy-back offer, nothing will happen to their Stapled Securities.

While the directors of PML and the directors of the RE of PMT believe that it is desirable for the Group to be in a position where it could proceed with a buy-back of Stapled Securities, they have not resolved to proceed with any particular buy-back proposal at the present time.

### **Change of Name**

The Act provides that a company may only change its name if it is approved by a special resolution of the company's members. Resolution 1 (for PML only) is a special resolution to change the name of PML to Pengana HedgeFunds Limited.

PMT's Constitution provides that the RE of PMT can change the name of the trust from time to time. The supplemental deed which would amend the Constitution to provide for the buy-back of units in PMT also provides that the name of the PMT will be Pengana HedgeFunds Trust. If Resolution 1 on the PMT notice of meeting to amend PMT's Constitution is amended, PMT's name will also change. If that resolution is not passed by the requisite majority, PMT's name will not automatically change, although, the RE may subsequently choose to change PMT's name.

The directors of PML and the directors of the RE of PMT feel that the new names better reflects the Group's business.

## **Notes to Pengana Managers Group Notices of Meeting**

The Responsible Entity of PMT and the Board of PML have determined, in accordance with the Constitution of each of PMT and PML and the *Corporations Act* 2001 that a security holder's voting entitlement at the meeting will be taken to be the entitlement as shown on the register of security holders at 7 pm on 20 November 2005.

### **1. Proxies**

A unitholder or shareholder as the case may be is entitled to appoint a proxy to vote on their behalf at the meeting. You may nominate a representative of your choosing or the Chair of the meeting as your proxy. If you return your proxy form but do not nominate a representative, the Chair will be your proxy and will vote on your behalf as you direct on the proxy form. If your nominated representative does not attend the meeting, then your proxy will revert to the Chair.

You may direct your proxy how to vote on each resolution on your proxy form. If the Chair is your proxy and you choose not to mark the boxes instructing the Chair how to vote, the Chair will exercise these votes in favour of the resolutions.

The proxy forms must be signed by the unitholder of shareholder or the unitholder's or shareholder's attorney in accordance with the directions on the form. Proxy forms must be returned to the Responsible Entity at the address or facsimile number noted on the proxy form so as to be received at least 24 hours before the time of the meeting (that is, by 10 am, 21 November 2005).

**Your vote is important. It is important that if you do not intend to attend the meeting, you complete and return a proxy form.**

## **2. Special Resolutions**

Each of the Resolutions to be considered at the Pengana Managers Group Meetings are special resolutions. To be validly passed, at least 75% of the votes validly cast by security holders entitled to vote on the resolution must be in favour of the resolution.

## **3. Method of voting on Resolutions**

As per PML's constitution all Resolutions will be determined by a show of hands unless a poll is demanded. A poll can be demanded by:

- (i) the Chair of the meeting; or
- (ii) at least 5 shareholders present in person or proxy or by representative; or
- (iii) any 1 or more shareholders holding shares conferring not less than 5% of the total voting rights of shareholders having the right to vote on resolutions..

## **4. Voting Exclusions**

No voting exclusions apply to the resolutions to be considered at either the PMT or PML meetings.