

Form 605

Corporations Law
Section 671B

Notice of ceasing to be a substantial shareholder

To: Company name/Scheme:

Pengana Hedgefunds Group

1. Details of substantial holder (1)

Name:

UBS Nominees Pty Ltd and its related bodies corporate

ABN (if applicable):

32 001 450 522

Ceased to be a substantial shareholder

20 September 2006

The previous notice was dated:

12 September 2006

2. Changes in relevant changes

Particulars of each change in, or change in the nature of, a relevant interest (2) of the substantial holder or an associate (3) in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

Date of change	Person whose relevant interest changed	Nature of change (4)	Consideration given in relation to change (5)	Class (6) and number of shares affected	Person's votes affected
N/A. Changes to holdings by UBS Nominees on behalf of Prime Brokerage clients. These changes did not rise from any trading by UBS AG Australia; therefore details are not able to be provided.					

3. Changes in association

The persons who have become associates (3) of, ceased to be associates of, or have changed the nature of their association (7) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

Name	Nature of association
N/A	

4. Addresses

The addresses of persons named in this form are:

Name	Address
UBS Nominees Pty Ltd	Level 25, 1 Farrer Place, Sydney, NSW, 2000

Signature

Name: Peter Stepek

Capacity: Alternate Director

Signature:

Date: 26 September 2006

Director, secretary or substantial shareholder