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24 December 2007

Dear Sir/Madam

New Privateer Holdings Limited - Lodgement of Target's Statement

We act for New Privateer Holdings Limited (**NPH**).

As required by item 14 of section 633(1) of the *Corporations Act 2001* (Cth), **enclosed** is a copy of NPH's Target's Statement in response to Magellan Financial Group Limited's (**MFG's**) Bidder's Statement (as lodged with ASIC on 20 December 2007).

The Target's Statement was today lodged with the Australian Securities and Investment Commission and served on MFG.

Yours faithfully



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TARGET'S STATEMENT

In response to the Offer by MAGELLAN FINANCIAL GROUP LIMITED (ABN 59 108 437 592) to acquire all of the NPH Shares and all of the NPH Second Options in New Privateer Holdings Limited.

THE DIRECTORS OF NEW PRIVATEER HOLDINGS UNANIMOUSLY RECOMMEND THAT YOU ACCEPT MFG'S OFFER FOR YOUR NPH SHARES AND YOUR NPH SECOND OPTIONS.

The Independent Expert, Lonergan Edwards & Associates Limited, has determined that MFG's Offers for the NPH Shares and the NPH Second Options are FAIR AND REASONABLE.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

IMPORTANT INFORMATION

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Target's Statement is given in response to the Bidder's Statement dated 20 December 2007 received by NPH from MFG which was sent to NPH Shareholders and NPH Optionholders on or about 24 December 2007 and relates to MFG's Offer to acquire your NPH Shares and NPH Second Options.

A copy of this Target's Statement was lodged with ASIC and provided to ASX on 24 December 2007. None of ASIC, ASX or any of their officers takes any responsibility for the contents of this Target's Statement.

DEFINED TERMS

A number of defined terms are used in this Target's Statement. These terms have capitalised first letters and are set out in the glossary in section 13 of this Target's Statement.

INVESTMENT DECISIONS

This document does not take into account the investment objectives, financial situation or particular needs of any person. Before making any investment decision on the basis of this document you should consider whether that decision is appropriate in the light of those factors and seek independent financial and taxation advice if necessary.

FORWARD LOOKING STATEMENTS

This Target's Statement contains statements in the nature of forward looking statements. Forward looking statements are not based on historical facts, but are based on NPH's current expectations of future results or events. NPH Shareholders and NPH Optionholders should note that these forward looking statements are subject to risks, uncertainties and assumptions which could cause actual results or events to differ materially from the expectations described in such forward looking statements. These risks, uncertainties and assumptions include economic and financial market conditions, legislative, fiscal or regulatory developments and the price performance of NPH Shares (including the risk of a possible price decline in the absence of the Offer).

While NPH believes that the expectations reflected in the forward looking statements in this Target's Statement are reasonable, no assurance can be given that such expectations will prove to be correct. Matters as yet not known to NPH or not currently considered material by NPH, may cause actual results or events to be materially different from those expressed, implied or projected in any forward looking statements.

None of NPH, any of its officers, any person named in this Target's Statement with their consent, or any person involved in the preparation of this Target's Statement, makes any representation or warranty (either express or implied) or gives any assurance that the implied values or anticipated results or events express or implied in forward looking statements contained in this Target's Statement will be achieved. You are cautioned not to place undue reliance on these forward looking statements.

Any forward looking statement contained in this document is qualified by this cautionary statement.

INDEPENDENT EXPERT'S REPORT

A Concise Independent Expert's Report accompanies this Target's Statement at Appendix A. A full version of the Independent Expert's Report can be obtained free of charge by calling (03) 8613 8888 or (03) 9256 8738.

INFORMATION LINE

If you have any queries in relation to MFG's Offer or this Target's Statement, please contact NPH on (03) 8613 8888 or (03) 9256 8738.

CHAIRMAN'S LETTER

24 December 2007

Dear NPH Securityholder

Your Directors unanimously recommend that you ACCEPT MFG's Offers for your NPH Shares and your NPH Second Options.

This Target's Statement is NPH's formal response to the takeover offer that MFG is making for all of your NPH Shares (existing currently or during the course of MFG's Offer) and NPH Second Options over shares in NPH.

MFG's Initial Offer for NPH Shares and NPH Second Options was announced on 5 October 2007. Following discussions between NPH and MFG, MFG agreed to revise its offer for NPH to increase the value of its offer and adopt a far simpler offer structure. As a result, MFG's Initial Offer has been withdrawn and it has made revised Offers for NPH Shares and the NPH Second Options. These Offers are contained in MFG's Bidder's Statement sent to you on or about 24 December 2007. This Target's Statement responds to MFG's revised offer (**MFG's Offer**).

For the reasons set out in the following pages, your Directors unanimously recommend that you **ACCEPT** MFG's Offer for your NPH Shares and your NPH Second Options by completing the acceptance forms included with MFG's Offer and returning them in the manner set out in MFG's Bidder's Statement.

Your Directors (who control, in aggregate, approximately 24% of the shares in NPH) will be accepting MFG's Offer for their NPH Shares and their NPH Second Options (where they choose not to exercise their NPH Second Options). Each Director has exercised or will exercise their NPH First Options before they expire on 31 December 2007.

The Directors' reasons for recommending acceptance of MFG's Offer are set out in this Target's Statement. In summary:

1. The Independent Expert, Lonergan Edwards & Associates Limited, has determined that the value of MFG's Offer for your NPH Shares is **fair and reasonable** and has stated that MFG's Offer for NPH Shares has a value of between \$3.20 to \$3.52 which is within the Independent Expert's value range for NPH Shares of between \$2.42 to \$2.86.

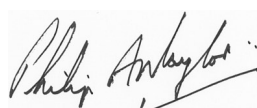
The Independent Expert has determined that MFG's Offer for the NPH Second Options is **fair and reasonable** and that MFG's Offer for NPH Second Options has a value of between \$1.71 to \$2.43 (based on an assessed value for each MFG 2011 Option of between \$0.57 to \$0.81) which is within the Independent Expert's value range for NPH Second Options of between \$1.30 to \$1.82.

2. The price of NPH Shares may fall and the value of your NPH Second Options may diminish in the absence of MFG's Offer.
3. MFG has declared its Offer final and your Directors consider that it is unlikely that a superior proposal will be received for your NPH Shares and NPH Second Options from any third party.
4. Mr Chris Mackay and Mr Hamish Douglass have each agreed to re-commit to their current exclusivity arrangements with MFG until at least July 2012. Your Directors consider that the continued involvement of Mr Mackay and Mr Douglass is beneficial for the long term success of MFG.

MFG's Offer is scheduled to close at 7.00pm (Sydney time) on 15 February 2008 unless extended.

Your Directors encourage you to read this Target's Statement in full before making a decision in relation to MFG's Offer. If you have any questions regarding this Target's Statement, please contact NPH on (03) 8613 8888 or (03) 9256 8738.

Yours faithfully

New Privateer Holdings Limited

P. A. K. Naylor
Chairman

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1. **KEY REASONS WHY YOUR DIRECTORS UNANIMOUSLY RECOMMEND YOU ACCEPT MFG'S OFFERS FOR YOUR NPH SHARES AND NPH SECOND OPTIONS**

1.1 **The Independent Expert has determined that MFG's Offers for your NPH Shares and NPH Second Options are fair and reasonable**

A Concise Independent Expert's Report is annexed to this Target's Statement at Appendix A. A full version of the Independent Expert's Report can be obtained by calling (03) 8613 8888 or (03) 9256 8738.

(a) **NPH Shares**

MFG is offering, for each NPH Share, 1.95 MFG Shares and 0.33 MFG 2016 Options.

MFG 2016 Options have the following terms (among others):

- **Expiration time and date** – 5.00pm (Sydney time) on 30 June 2016.
- **Exercise price** – \$3.00 per MFG 2016 Option (adjusted for pro rata issues and bonus issues).
- **Exercise period** – the options may be exercised during each period of two months commencing on the date which is two business days after the announcement of:
 - (i) the results of MFG for the financial year to 30 June in each year (commencing with the year ending 30 June 2008); and
 - (ii) the results of MFG for the half year to 31 December in each year (commencing with the half year ending 31 December 2008).

The last exercise period (being in respect of the half year to 31 December 2015) commences on the date that is two business days after the announcement of such results and ends on 30 June 2016, which is the expiry date of the MFG 2016 Options.

The Independent Expert has concluded that:

- the value of each NPH Share is between \$2.42 to \$2.86; and
- the total assessed value of MFG's Offer for your NPH Shares is between \$3.20 to \$3.52.

Using the mid-points of the Independent Expert's assessed values, the implied premium of MFG's Offer for your NPH Shares is in the order of 27.3%.

In addition, the Independent Expert also notes that the NPH Shareholders will benefit from the following:

- MFG will effectively be acquiring approximately 36% of NPH for no consideration, based on the irrevocable commitment by Mr Chris Mackay's investment company to let lapse his 6,992,705 NPH First Options (and as a result the NPH Second Options) by not exercising the NPH First Options prior to their expiration on 31 December 2007; and
- Mr Douglass' consideration for his 40% share in NPH Funds will be set at a level which excludes any compensation for possible performance fees under NPH Fund's MSA with MFG.

The Directors consider that the above benefits should enhance the future value of MFG for all shareholders. However, this would be partially offset by the dilution effect implicit in the control premium being paid by MFG.

(b) **NPH Second Options**

MFG is offering, for each NPH Second Option, 3 MFG 2011 Options.

MFG 2011 Options have the following terms (among others):

- **Expiration time and date** – 5.00pm (Sydney time) on 30 June 2011.
- **Exercise price** – \$1.30 per MFG 2011 Option (adjusted for pro rata issues and bonus issues).
- **Exercise period** – the options may be exercised during each period of two months commencing on the date which is two business days after the announcement of:
 - (i) the results of MFG for each financial year to 30 June (commencing with the year ending 30 June 2009); and
 - (ii) the results of MFG for each half year to 31 December (commencing with the half year to 31 December 2009).

The last exercise period (being in respect of the half year to 31 December 2010) will be the two month period commences on the date that is two business days after the announcement of such results.

The Independent Expert has concluded that:

- the value of each NPH Second Option is between \$1.30 to \$1.82 per option; and
- the total assessed value of MFG's Offer for your NPH Second Options is between \$1.71 to \$2.43 (based on an assessed value for each MFG 2011 Option of between \$0.57 to \$0.81).

Using the mid-points of the Independent Expert's assessed values, the implied premium of MFG's Offer for your NPH Second Options is in the order of 32.6%.

Whether you should accept MFG's Offer for your NPH Second Options or exercise your NPH Second Shares, receive NPH Shares and then accept MFG's Offer for your NPH Shares is a matter that you must consider with regard to your own personal circumstances, including your ability to finance the exercise price of the NPH Second Options, the differing tax consequences and whether you prefer to hold MFG Shares on MFG Options.

At paragraphs 47 to 50 of the Concise Independent Expert's Report, the Independent Expert stated that:

"... the choice between accepting the MFG Option offer for the NPH [Second Options] and exercising the NPH [Second Options] in order to accept the MFG share offer is not clear.

The comparison is made more difficult because of uncertainty about the depth of trading in the option series (both 2011 and 2016 MFG options), which may cause these options to trade at values significantly different from their theoretical values. For example, recent trading in the 2009 MFG options has been below theoretical values, but has been at such a thin level of trading that it is not possible to form reliable views.

...

Accordingly, while we recommend that NPH optionholders should accept [MFG's Offer] via one of these methods, which alternative is most appropriate will vary between the individual optionholders accordingly to their circumstances and expectations."

You should seek your own professional advice as to your own individual circumstances. (See section 4.3 for further details).

1.2 The price of NPH Shares may fall and the value of your NPH Second Options may diminish in the absence of MFG's Offer

Thin volumes of NPH Shares have traded in a wide range of prices in the 12 month period leading up to the announcement of MFG's Initial Offer on 5 October 2007. Specifically, during the week prior to and including 4 October 2007, NPH Shares traded at a high of \$3.40 and a low of \$3.19, with a volume weighted average price for this period of \$3.21.

In the period between MFG's Initial Offer and 20 December 2007, NPH Shares have traded between \$2.80 and \$3.30, albeit with limited volumes.

Your Directors consider that if MFG's Offer is not successful, the price of NPH Shares traded on the ASX may fall, in the absence of an alternative proposal.

1.3 MFG has declared that its Offer is final and your Directors consider that it is unlikely that a superior proposal will be received for your NPH Shares and NPH Second Options from a third party

Since the announcement of MFG's Offer, no superior offer has emerged. The Directors and the Independent Expert believe it unlikely that a superior proposal to the MFG Offer will be received before MFG's Offer closes.

To be successful, any third party proposal is likely to require the support of at least the majority of NPH Securityholders. Mr Chris Mackay's investment company has the largest shareholding in NPH, with approximately 36% of the issued shares (on an undiluted basis).

1.4 Mr Chris Mackay and Mr Hamish Douglass have each agreed to re-commit to their current exclusivity arrangements with MFG until at least July 2012

Under the current arrangements, as set out in the Exclusivity Deed dated 21 November 2006, each of NPH, NPH Funds, Mr Mackay and Mr Douglass have undertaken not to, for the term of the MSA, invest in a funds management business within Australia and New Zealand (subject to certain exceptions).

As part of the discussions concerning the revised proposal from MFG, Mr Mackay and Mr Douglass have provided a commitment that their exclusivity obligations will continue until at least 1 July 2012. This commitment is set out in MFG's ASX Announcement of 10 December 2007 and at section 3.2(b) of the Bidder's Statement. Otherwise, the restraint would have ceased to apply if MFG's Offer is successful and if MFG's proposal to internalise the MSA is completed.

The Directors consider that Messrs Mackay and Douglass' commitment to exclusively invest in the business of funds management through the NPH/MFG structure (subject to certain exceptions) has been an important benefit for NPH Securityholders and the continuation of that commitment is an important attraction of exchanging NPH Securities for a direct interest in MFG.

2. OTHER CONSIDERATIONS

NPH Shareholders and NPH Optionholders should also consider the following:

(a) **Simplified structure**

If successful, MFG's Offers will simplify MFG's structure, which, other things being equal, should provide an improved platform for growth.

(b) **Distributions**

If successful, NPH Shareholders will forgo any look-through entitlements to base and performance fees otherwise receivable under the MSA between NPH Funds and MFG. However, NPH Shareholders should benefit from future capital growth and distributions from the simplified MFG structure.

(c) **Change in nature of investment**

NPH is currently a publicly listed investment holding company, with exposure to the funds management industry through its interests in NPH Funds. If the MFG Offer is successful, the current NPH Shareholders and Optionholders will be investors in a specialist funds management and investment group.

(d) **Taxation**

We refer you to Section 6 of the Bidder's Statement and section 10 of this Target's Statement.

- **MFG's Share Offer:** since the capital proceeds to be received by NPH Shareholders comprises both MFG Ordinary Shares and MFG 2016 Options, scrip for scrip roll-over relief is available only to the extent to which the NPH Shares are exchanged for MFG Ordinary Shares and not to the extent to which the NPH Shares are exchanged for MFG 2016 Options. However, we note that the Independent Expert's assessed value of the MFG 2016 Options represent a relatively small component of the overall consideration.
- **MFG's Option Offer:** the capital proceeds to be received by the NPH Securityholders under the Options Offer comprises only 2011 MFG Options and therefore NPH Securityholders who would otherwise make a capital gain on their disposal of NPH Second Options may be eligible to claim scrip for scrip roll-over relief.

3. **HOW TO ACCEPT MFG'S OFFER**

You should read all the information contained in this Target's Statement before making a decision on whether to accept MFG's Offer.

3.1 **How to ACCEPT MFG's Offer**

If, after reading MFG's Bidder's Statement and this Target's Statement, you wish to ACCEPT MFG's Offer you must follow the instructions set out on page 7 and section 9.4 of MFG's Bidder's Statement.

In summary, to accept MFG's Offer for your NPH Shares, you should complete the **BLUE COLOURED** Share Offer Acceptance Form (which accompanied MFG's Bidder's Statement) sent to you in accordance with the instructions on the form and return it in the envelope provided by MFG to the address featured on it. If your NPH Shares are held in CHESS (Holder Identification Number beginning with 'X'), you can also accept MFG's Offer for your NPH Shares by contacting your Controlling Participant (usually your broker) and instructing them to accept the Share Offer on your behalf.

In summary, to accept MFG's Offer for your NPH Second Options, complete the **YELLOW COLOURED** Options Offer Acceptance Form (which accompanied MFG's Bidder's Statement sent to you) in accordance with the instructions on the form and return it in the envelope provided by MFG to the address featured on it. If your NPH Second Options are held in CHESS (Holder Identification Number beginning with 'X'), you can also accept the Options Offer by contacting your Controlling Participant (usually your broker) and instructing them to accept the Options Offer on your behalf.

3.2 **Time to accept**

Acceptances must be received before the end of the Offer Period, with MFG's Offer currently scheduled to close on 7.00pm (Sydney time) on 15 February 2008.

4. FREQUENTLY ASKED QUESTIONS

This part answers some key questions that you may have about MFG's Offer and should be read in conjunction with the entire Target's Statement.

Section 4.1 sets out frequently asked questions relating to MFG's Offer generally, section 4.2 sets out frequently asked questions relating specifically to your NPH Shares and section 4.3 sets out frequently asked questions relating specifically to your NPH Second Options.

4.1 Frequently asked questions - generally

What is the Bidder's Statement?	The Bidder's Statement is a document containing the detailed terms of MFG's Offer. MFG lodged its Bidder's Statement with ASX, ASIC and NPH on 20 December 2007. A copy was sent to you on or about 24 December 2007 and is available on the ASX website.
What should I do?	<p>To ACCEPT MFG's Offer you should follow the instructions set out on page 7 and section 9.4 of the Bidder's Statement and summarised in section 2 of this Target's Statement.</p> <p>If you hold NPH Options please refer to the further information in section 5 below.</p>
When does MFG's Offer close?	MFG's Offer will close at 7.00pm (Sydney time) on 15 February 2008 unless it is extended or withdrawn.
What are the consequences of accepting MFG's Offer now?	<p>If you accept MFG's Offer, subject to the withdrawal rights set out in section 11.9:</p> <ul style="list-style-type: none">• you will relinquish control of your NPH Shares or NPH Second Options (as the case may be) to MFG but will have no guarantee of payment until MFG's Offer becomes unconditional;• you will not be able to sell your NPH Shares or NPH Second Options; and• you will be unable to accept any higher takeover bid that may be made by a third party or any alternative transaction that may be recommended by the Board. However, the Board considers that it is unlikely that a third party proposal will eventuate.
If I accept MFG's Offer, can I withdraw my acceptance?	<p>Generally, no.</p> <p>You only have limited rights to withdraw your acceptance of MFG's Offer. You may only withdraw your acceptance of MFG's Offer if:</p> <ul style="list-style-type: none">• MFG's Offer is still subject to a defeating condition; and• MFG's Offer is varied in a way that postpones, for more than one month, the time when MFG needs to meet its obligations under MFG's Offer. This may occur if MFG extends the Offer Period by more than one month and MFG's Offer is still subject to a defeating condition.

<p>What happens if I do nothing?</p>	<p>If you do nothing in respect of MFG's Offer you will remain a NPH Shareholder and NPH Optionholder (as applicable) unless MFG can compulsorily acquire your NPH Shares or NPH Second Options (as applicable).</p> <p>NPH First Options expire on 31 December 2007 and you will receive no value for your NPH First Options if they expire.</p>
<p>What are the conditions of MFG's Offer?</p>	<p>The conditions of MFG's Offer are set out on page 9 and section 9.7 of the Bidder's Statement.</p> <p>Conditions pertaining to MFG's Offer for your NPH Shares</p> <p>The conditions of MFG's Offer for your NPH Shares include conditions to the following effect:</p> <ul style="list-style-type: none"> • MFG must have a relevant interest in more than 90% of the NPH Shares and have acquired at least 75% of the NPH Shares which MFG offered to acquire under the Offer for NPH Shares. • MFG must have a relevant interest in at least 90% of the NPH Second Options and have acquired at least 75% of the NPH Second Options which MFG offered to acquire under the Offer for NPH Second Options. • NPH or any subsidiary (other than NPH Funds) must not purchase any investments or assets for an aggregate amount of more than \$750,000, without the prior consent of MFG. • NPH or any subsidiary (other than NPH Funds) must not dispose of any assets for an aggregate amount of more than \$750,000, without the prior consent of MFG. • NPH or any subsidiary (other than NPH Funds) must not enter into any arrangements or agreements which would require expenditure, or the foregoing of revenue, by NPH and its subsidiaries or would involve a shareholder of same incurring or committing to any liability of an amount which, in aggregate, totals more than \$1,000,000, without the prior consent of MFG. • NPH confirms in its Target's Statement certain financial information relating to NPH. • NPH does not pay any dividends to NPH Shareholders prior to the end of the Offer Period. • No prescribed occurrence of an event under section 652C(1) or (2) of the <i>Corporations Act 2001</i> (Cth) (other than the issue of NPH Shares upon exercise of the NPH First Options or NPH Second Options by NPH Optionholders). • MFG shareholder approval is obtained for certain resolutions to be considered by MFG at a general meeting of MFG Shareholders on or about 7 February 2008. • Mr Chris Mackay's investment company does not exercise any of its 6,992,705 NPH First Options prior to their expiration on 31 December 2007.

	<p>These conditions are explained in more detail at section 9. MFG can choose to waive any of these conditions</p> <p>Conditions pertaining to MFG's Offer for your NPH Second Options</p> <p>MFG's Offer for the NPH Second Options is subject to a condition that the conditions of MFG's Offer for the NPH Shares are satisfied. MFG can choose to waive this condition.</p>
<p>What happens if the conditions of MFG's Offer are not satisfied or waived?</p>	<p>MFG's Offer will lapse if the conditions of MFG's Offer are not satisfied or waived by the closing date. This means that MFG's Offer will not proceed and you will continue to hold your NPH Shares and NPH Second Options.</p>
<p>What are the tax consequences if I accept MFG's Offer?</p>	<p>The tax consequences of accepting MFG's Offer will depend on the circumstances of individual shareholders. You should consult a taxation adviser if you need further information regarding your tax position.</p> <p>See section 6 of the Bidder's Statement and section 10 of this Target's Statement for further details on the major likely Australian taxation implications of MFG's Offer.</p>
<p>Is there a phone number I can call if I have further queries in relation to MFG's Offer?</p>	<p>If you require additional assistance please contact NPH on (03) 8613 8888 or (03) 9256 8738.</p>

4.2 Frequently asked questions – concerning MFG’s Offer for your NPH Shares

This part answers some key questions that you may have about MFG’s Offer in respect of your NPH Shares and should be read in conjunction with the entire Target’s Statement.

<p>What am I being offered for my NPH Shares?</p>	<p>MFG’s is offering 1.95 MFG Shares + 0.33 MFG 2016 Options for each NPH Share.</p>
<p>Does the Independent Expert think the Offer for my NPH Shares is fair and reasonable?</p>	<p>Yes. The Independent Expert considers that MFG’s Offer for your NPH Shares is fair and reasonable. The Independent Expert has concluded that:</p> <ul style="list-style-type: none"> • the value of each NPH Share is between \$2.42 to \$2.86; and • the total assessed value of MFG’s Offer for your NPH Shares is between \$3.20 to \$3.52. <p>Using the mid-points of the Independent Expert’s assessed values, the implied premium of MFG’s Offer for your NPH Shares is in the order of 27.3%.</p> <p>A Concise Independent Expert’s Report is attached at Appendix A to this Target’s Statement. The full version of the Independent Expert’s Report can be obtained free of charge by calling (03) 8613 8888 or (03) 9256 8738.</p>
<p>What do the Directors of NPH intend to do with their NPH Shares?</p>	<p>Each Director of NPH intends to ACCEPT MFG’s Offer in relation to those NPH Shares held by them and/or which they control.</p>
<p>Will my MFG 2016 Options be listed?</p>	<p>MFG have stated that it intends to apply for quotation of the MFG 2016 Options on ASX. Quotation is neither guaranteed nor automatic.</p>
<p>Will scrip for scrip roll-over relief be available in respect of the MFG Shares and MFG 2016 Options I receive?</p>	<p>Since the capital proceeds to be received by NPH Shareholders comprises both MFG Ordinary Shares and MFG 2016 Options, scrip for scrip roll-over relief is available only to the extent to which the NPH Shares are exchanged for MFG Ordinary Shares and not to the extent to which the NPH Shares are exchanged for MFG 2016 Options.</p> <p>However, we note that the Independent Expert’s assessed value of the MFG 2016 Options represent a relatively small component of the overall consideration. See section 6 of the Bidder’s Statement and section 10 of this Target’s Statement for further details on the major likely Australian taxation implications of MFG’s Offer.</p>
<p>What choices do I have as an NPH Shareholder?</p>	<p>As an NPH Shareholder, you have the following choices in respect of your NPH Shares:</p> <ul style="list-style-type: none"> • ACCEPT MFG’s Offer by following the directions set out in MFG’s Bidder’s Statement; • sell some or all of your NPH Shares on ASX (unless you have already accepted MFG’s Offer for your NPH Shares); or • do nothing in relation to MFG’s Offer for all or some of your NPH Shares.

4.3 **Frequently asked questions – concerning your NPH First Options and MFG’s Offer for your NPH Second Options**

This part answers some key questions that you may have about your NPH First Options and MFG’s Offer in respect of your NPH Second Options and should only be read in conjunction with the entire Target’s Statement.

<p>What am I being offered for my NPH Second Options?</p>	<p>MFG is offering 3 MFG 2011 Options for each NPH Second Option.</p>
<p>Does the Independent Expert think the Offer for my NPH Second Options is fair and reasonable?</p>	<p>Yes. The Independent Expert considers that MFG's Offer for your NPH Second Options is fair and reasonable. The Independent Expert has concluded that:</p> <ul style="list-style-type: none"> • the value of each NPH Second Option is between \$1.30 to \$1.82 per option; and • the total assessed value of MFG’s Offer for your NPH Second Options is between \$1.71 to \$2.43 (based on an assessed value for each MFG 2011 Option of between \$0.57 to \$0.81). <p>Using the mid-points of the Independent Expert’s assessed values, the implied premium of MFG’s Offer for your NPH Second Options is in the order of 32.6%.</p> <p>A Concise Independent Expert's Report is attached at Appendix A to this Target's Statement. The full version of the Independent Expert's Report can be obtained free of charge by calling (03) 8613 8888 or (03) 9256 8738.</p>
<p>Will my MFG 2011 Options be listed?</p>	<p>MFG have stated that it intends to apply for quotation of the MFG 2011 Options on ASX. Quotation is neither guaranteed nor automatic.</p>
<p>What choices do I have as an NPH Second Optionholder?</p>	<p>As an NPH Optionholder, if you exercise your NPH First Options (and receive NPH Second Options), or currently hold NPH Second Options, you have the following choices in respect of your NPH Second Options:</p> <ul style="list-style-type: none"> • ACCEPT MFG’s Offer for your NPH Second Options by following the directions set out in MFG's Bidder's Statement; • if you can finance the exercise price of \$1.30 per NPH Second Option, exercise your NPH Second Options in which case you will receive NPH Shares and will have the choices set out in section 4.2 pertaining to NPH Shares; or • do nothing in relation to MFG’s Offer for all of your NPH Second Options. <p>Refer to section 5 below for important information for NPH Optionholders.</p>

<p>What do the Directors of NPH intend to do with their NPH Second Options?</p>	<p>Of your Directors, Messrs Naylor, Anderson and Baer intend to accept MFG's Options Offer for their NPH Second Options and receive 3 MFG 2011 Options for each NPH Second Option they hold. Mr Montgomery intends to accept for all of his NPH Second Options (either by accepting MFG's Offer for his NPH Second Options or by exercising his NPH Second Options and accepting MFG's Offer for the resulting NPH Shares).</p>
<p>Should I exercise my NPH Second Options, receive NPH Shares and accept MFG's Offer for NPH Shares or should I accept MFG's Offer for my NPH Second Options?</p>	<p>Whether you should accept MFG's Offer for your NPH Second Options OR exercise your NPH Second Shares, receive NPH Shares and then accept MFG's Offer for your NPH Shares is a matter that you must consider with regard to your own personal circumstances, including your ability to finance the exercise price of the NPH Second Options, the differing tax consequences and whether you prefer to hold MFG Shares on MFG Options.</p> <p>At paragraphs 47 to 50 of the Concise Independent Expert's Report, the Independent Expert stated that:</p> <p><i>"... the choice between accepting the MFG Option offer for the NPH [Second Options] and exercising the NPH [Second Options] in order to accept the MFG share offer is not clear.</i></p> <p><i>The comparison is made more difficult because of uncertainty about the depth of trading in the option series (both 2011 and 2016 MFG options), which may cause these options to trade at values significantly different from their theoretical values. For example, recent trading in the 2009 MFG options has been below theoretical values, but has been at such a thin level of trading that it is not possible to form reliable views.</i></p> <p>...</p> <p><i>Accordingly, while we recommend that NPH optionholders should accept [MFG's Offer] via one of these methods, which alternative is most appropriate will vary between the individual optionholders accordingly to their circumstances and expectations."</i></p> <p>You should seek your own professional advice as to your own individual circumstances.</p>
<p>Am I being offered anything for my NPH First Options?</p>	<p>You are not being offered anything for your NPH First Options. Your NPH First Options will lapse at 5.00pm (Melbourne time) on 31 December 2007 if they have not been exercised.</p> <p>See section 5.1 for the actions you should take in relation to your NPH First Options.</p>
<p>What will I receive if I exercise my NPH First Options?</p>	<p>In accordance with their terms of issue, upon exercise of your NPH First Options you will receive one NPH Share and one NPH Second Option for each NPH First Option exercised.</p> <p>Your NPH Second Options can be exercised during June or December or during a takeover bid. Therefore, you can exercise your NPH Second Options up until the end of MFG's Offer, which is scheduled to remain open until at least 7.00pm (Sydney time) on 15 February 2008.</p> <p>See question, "What choices do I have as an NPH Second Optionholder?" above, for your choices pertaining to your treatment of</p>

	your NPH Second Options.
What do the Directors intend to do with their NPH First Options?	Each Director has exercised or will exercise their NPH First Options before they expire on 31 December 2007.
How do I exercise my NPH First Options and NPH Second Options?	See section 5.2 on how to exercise your NPH First Options and NPH Second Options.

5. WHAT SHOULD YOU DO IF YOU HAVE NPH OPTIONS?

5.1 Actions to take if you have NPH First Options

Your NPH First Options are due to expire at 5.00pm (Melbourne time) on 31 December 2007. This deadline may have already passed by the time you receive this Target's Statement. Under the terms of your NPH First Options issued under the NPH Prospectus dated 2 May 2006, you may exercise your NPH First Options during December. On payment of the First Option exercise price (\$1.25 per NPH First Option), each NPH First Option will convert into:

- one fully paid ordinary share in NPH; and
- one NPH Second Option to subscribe (during the exercise periods for the NPH Second Option) for one fully paid ordinary share in NPH, exercisable at \$1.30 per option).

The Board reiterates that your NPH First Options expire at 5.00pm (Melbourne time) on 31 December 2007 and must be exercised before that time to have any value. Quotation of the NPH First Options on ASX ceased on Thursday, 20 December 2007.

You have previously been sent an Option Exercise Notice by NPH (on or about 23 November 2007) to enable you to exercise your NPH First Options (if you wish). Please contact the Company's Share Registry, Computershare Investor Services on 1300 850 505 if you have any questions concerning exercising your NPH First Options or your NPH Second Options.

MFG's Offer does not extend to your NPH First Options. MFG is **NOT** offering anything for your NPH First Options and, accordingly, if you do not exercise your NPH First Options by 31 December 2007 they will lapse and you will not receive any value for your NPH First Options.

5.2 How do you exercise your NPH First Options and/or NPH Second Options?

You can exercise your NPH First Options or NPH Second Options by completing an Option Exercise Notice or otherwise giving written notice to the Company's share registry, Computershare by mail or in person:

All correspondence should be addressed as follows:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 8060
AUSTRALIA

Any personal deliveries should be made to the following address:

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford VIC 3007
AUSTRALIA

The notice must be accompanied by a cheque, money order or bank draft in Australian currency drawn on an Australian branch of a financial institution for an amount equal to the exercise price of the relevant option (being \$1.25 for NPH First Options and \$1.30 for NPH Second Options) multiplied by the number of options to be exercised. Cheques, money orders or bank drafts should be made payable to "New Privateer Holdings Limited" and crossed "Not Negotiable". Do not forward cash. Receipts for payments will not be issued.

NPH Shares will be allotted and issued within 15 business days after NPH receives notice of exercise of the NPH Options together with the application price.

Any number of NPH Options may be exercised, provided that no less than 500 NPH First Options or NPH Second Options may be exercised at any one time. If you hold fewer than 500 NPH First Options or NPH Second Options and you wish to exercise those NPH Options, you must exercise all of those NPH Options at the one time.

6. PROFILE & HISTORY OF NPH

NPH is an Australian public company that is limited by shares and was incorporated in Victoria on 7 December 1982 as an investment holding company. In 1987, NPH was admitted to quotation on the Australian Stock Exchange, now ASX.

In March 2006, a recapitalisation of NPH occurred. The recapitalisation comprised:

- a placement to Magellan Equities (the investment company of Mr Chris Mackay) of 5 million NPH Shares at \$1.20 per NPH Share and 5 million NPH First Options;
- a pro-rata renounceable rights issue of NPH Shares at \$1.15 per NPH Share and NPH First Option; and
- a public offer of 5 million NPH Shares at \$1.20 per NPH Shares (without NPH First Options).

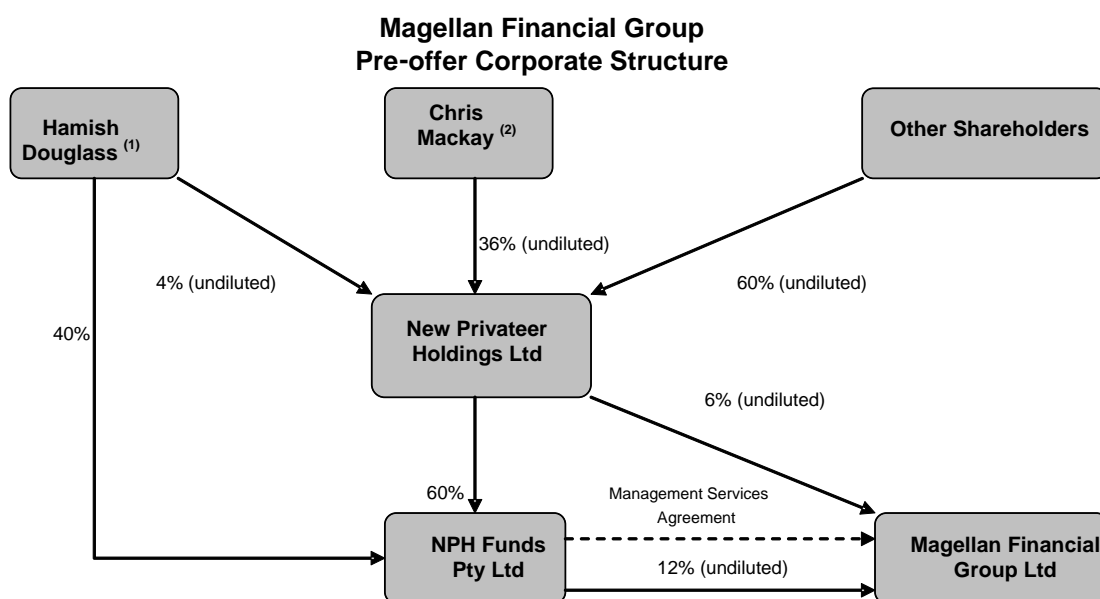
Magellan Equities underwrote the exercise of the options on issue at the time of the recapitalisation, the renounceable rights issue under the recapitalisation and the public offer. As part of the recapitalisation, Mr Chris Mackay was appointed to the NPH Board as a Director, and the Chairman, of NPH. The recapitalisation represented a significant cash investment in NPH by Magellan Equities and increased the funds available to NPH for investment.

In July 2006, NPH established NPH Funds with a 60% interest with the remaining 40% held by Mr Hamish Douglass' investment company, Midas Touch Investments Pty Ltd. On 20 November 2006, NPH Funds subscribed for 10.5 million shares in MFG, at a total cost of \$10.2 million.

On 21 November 2006 in conjunction with NPH Funds' subscription for shares in MFG, NPH Funds and MFG entered into an agreement under which NPH Funds provides management services to MFG – primarily, the services of Mr Mackay and Mr Douglass. On 16 May 2007, NPH Funds subscribed for a further 2.1 million shares and 1 million options in MFG, at a total cost of \$2.1 million.

Mr Chris Mackay resigned as Chairman of NPH on 31 August 2007. As announced on 10 December 2007, following the decision of the Directors to recommend MFG's revised proposal, it is intended that Mr Mackay rejoin the Board. This is expected to occur in January 2008.

The current structure of NPH is as follows:



⁽¹⁾ Held by Midas Touch Investments Pty Ltd, an entity controlled by Mr. Douglass.

⁽²⁾ Held by Magellan Equities Pty Ltd an entity controlled by Mr. Mackay. This means that Mr Mackay would have voting power of 55% in NPH if all holders (including Mr Mackay's investment company) were to exercise all of their NPH First Options and NPH Second Options.

Other than its interests in NPH Funds, the principal activity of NPH is investing in listed and unlisted companies. The Company holds ASX listed securities for long-term investment and holds a separate portfolio of listed and unlisted securities for trading purposes.

7. DIRECTORS' RECOMMENDATIONS AND INTENTIONS

7.1 Directors

The Directors are Messrs Alan Naylor (Chairman), Norman Anderson, David Baer and Peter Montgomery.

As previously announced on 10 December 2007, Mr Chris Mackay has been invited to rejoin the Board of NPH. It is expected that this will occur in January 2008. Mr Mackay's interests in NPH and MFG securities are detailed in the Bidder's Statement. Upon rejoining the NPH Board, a Board committee comprising Messrs Naylor, Anderson, Baer and Montgomery will be constituted to consider all matters in respect of MFG's Offer. Mr Chris Mackay will not participate in any discussions or decisions of NPH pertaining to MFG's Offer.

7.2 Directors' recommendation

Having considered the terms of MFG's Offer and the matters discussed in this Target's Statement, and the Independent Expert's Report, each of your Directors feels justified in making a recommendation in relation to MFG's Offer.

Each of your Directors recommend that you **ACCEPT** MFG's Offer, for the reasons set out in this Target's Statement.

7.3 Directors' intentions and commitment to ACCEPT

As the Independent Expert has determined that MFG's Share Offer is fair and reasonable:

- in order to secure MFG's Offer, the Directors have irrevocably committed to procure acceptance of MFG's Offer in respect of NPH Shares that they own or control comprising not less than 19% of NPH's issued share capital;
- each of the Directors intend to accept MFG's Offer for all of the NPH Shares they own or control;
- Messrs Naylor, Anderson and Baer intend to accept MFG's Options Offer for all of their NPH Second Options and receive 3 MFG 2011 Options for each NPH Second Option they hold; and
- Mr Montgomery intends to accept for all of his NPH Second Options (either by accepting MFG's Offer for his NPH Second Options or by exercising his NPH Second Options and accepting MFG's Offer for the resulting NPH Shares).

Each Director has exercised or will exercise their NPH First Options before they expire on 31 December 2007.

7.4 What your Directors encourage

Your Directors encourage you, in deciding whether to accept MFG's Offer, to:

- read the whole of this Target's Statement;
- consider your individual financial circumstances and consult a financial advisor if you require further assistance regarding your personal circumstances and the impact of MFG's Offer;
- consider the taxation implications of accepting MFG's Offer and consult a taxation advisor if you require further assistance regarding the taxation implications of MFG's Offer; and
- ensure that you understand the consequences of accepting MFG's Offer.

8. INFORMATION RELATING TO YOUR DIRECTORS

8.1 Interests of the Directors

As at the day before the date of this Target's Statement, the Directors of NPH have the following relevant interests in securities of NPH and MFG:

Director	NPH Shares	NPH First Options	NPH Second Options	MFG Shares	MFG 2009 Options
Alan Naylor	1,145,856	262,090	20,259	39,664	9,467
Norman Anderson	285,173	74,522	Nil	58,000	13,900
David Baer	1,839,104	Nil	355,822	Nil	2,867
Peter Montgomery	2,824,118	Nil	461,146	1,495,645	127,057

8.2 Dealings in NPH Securities

Other than as noted in the table below, none of your Directors or their associates has acquired or disposed of any NPH Shares or NPH Options in the four month period ended on the day immediately before the date of this Target's Statement:

Director	Number of securities acquired or disposed	Transaction
Alan Naylor	+ 1,834 NPH Shares	Acquired on 9 October 2007 under the NPH Dividend Reinvestment Plan
Norman Anderson	+ 485 NPH Shares	Indirectly acquired on 9 October 2007 under the NPH Dividend Reinvestment Plan
David Baer	+ 355,822 NPH Shares	Acquired on 21 December 2007 on exercise of 355,822 NPH First Options
Peter Montgomery	+ 4,019 NPH Shares	Acquired on 9 October 2007 under the NPH Dividend Reinvestment Plan
Peter Montgomery	+ 461,146 NPH Shares	Acquired on 21 December 2007 on exercise of 461,146 NPH First Options

8.3 Dealings in MFG Securities

Other than as noted in the table below, none of the Directors or their associates has acquired or disposed of a relevant interest in any MFG Securities in the four month period ending on the date immediately before the date of this Target's Statement.

Director	Number of securities acquired or disposed	Transaction
Alan Naylor	- 5,000	Disposal on 19 December 2007

8.4 **Benefits and agreements**

As a result of MFG's Offer, no person has been or will be given any benefit (other than a benefit which can be given without member approval under the Corporations Act) in connection with the retirement of that person or someone else from a board or managerial office of NPH or a related body corporate of NPH.

There are no other agreements made between any Director and any other person (including MFG) in connection with, or conditional upon, the outcome of MFG's Offer.

MFG have stated in section 3.2(b) of the Bidder's Statement that in the event that MFG's Offer is successful, they intend to invite Alan Naylor and David Baer onto the MFG board.

9. **CONDITIONS OF MFG'S OFFER**

9.1 **Conditions of MFG's Offer**

MFG's Offer is subject to a certain defeating conditions, some of which are discussed below. The conditions and the full terms of these conditions are set out in section 9.7 of the Bidder's Statement.

Condition	NPH Response
MFG's Offer for NPH Shares	
<p>Minimum acceptance</p> <p>Before the end of the Offer Period, MFG and its associates must:</p> <ul style="list-style-type: none"> • have relevant interests in more than 90% of the NPH Shares and have acquired (whether under the MFG Share Offer or otherwise) at least 75% of the shares which MFG offered to acquire under the MFG Share Offer; and • have relevant interests in more than 90% of the NPH Second Options and have acquired (whether under the MFG Option Offer or otherwise) at least 75% of the options which MFG offered to acquire under the MFG Options Offer. 	<p>Satisfaction of this condition is a matter for NPH Securityholders. If you wish this condition to be satisfied, you should ACCEPT MFG's Offer in respect of your NPH Shares and NPH Second Options.</p> <p>Your Directors of NPH, who in aggregate control more than 24% of the NPH Shares intend to ACCEPT MFG's Offer and they have irrevocably committed to procure acceptance of MFG's Offer in respect of NPH Shares that they hold or control comprising not less than 19% of NPH's issued share capital.</p>
<p>No material acquisitions, disposals or liabilities</p> <p>Except for any proposed transaction announced by NPH before 5 October 2007, none of the following events has occurred during the period from 5 October 2007 to the end of the Offer Period:</p> <ul style="list-style-type: none"> • NPH or any subsidiary of NPH (other than NPH Funds) acquires, offers to acquire, enters into an option to dispose of or agrees to acquire assets (or any interest in assets) for an amount in aggregate greater than \$750,000, or announces an intention to enter into such an acquisition, offer, option or agreement; • NPH or any subsidiary of NPH (other than NPH Funds) disposes of, offers to dispose of, enters into an option to dispose of or agrees to dispose of any interest in an asset for an amount in excess of \$750,000, or announces an 	<p>Your Directors are not aware of any reason why this condition would not be satisfied.</p>

Condition	NPH Response
<p>intention to enter into such a disposition, offer, option or agreement; or</p> <ul style="list-style-type: none"> • NPH or any subsidiary of NPH (other than NPH Funds) enters into, or offers to enter into or agrees to enter into, any agreement or agreements which would require expenditure, or the foregoing of revenue, by the NPH Group or would involve a shareholder of the NPH Group incurring or committing to any liability of an amount which, in aggregate, totals more than \$1,000,000, <p>without the prior written consent of MFG.</p>	
<p>Confirmations from NPH</p> <p>The Target's Statement (or, if earlier, an announcement by NPH through ASX) contains a statement, expressed to be made with the approval of the NPH Board, which confirms, after due enquiry, each of the matters set out below, and that statement is not materially varied, revoked or qualified (whether in any supplementary target's statement or otherwise) prior to the end of the Share Offer Period:</p> <ul style="list-style-type: none"> • NPH has not disposed of any investments or assets for an aggregate amount greater than \$750,000 since 30 June 2007; • NPH has not acquired any investments or assets for an aggregate amount greater than \$750,000 since 30 June 2007; • the assets of NPH, as set out in the consolidated balance sheet as at 30 June 2007 in NPH's Preliminary Final Statement, have not decreased in value by more than \$1,000,000, other than as a result of fluctuations in the value of MFG Securities held by NPH; and • no actual or contingent liabilities with an aggregate value in excess of \$100,000 exist which were not recorded in the consolidated balance sheet as at 30 June 2007 in NPH's Preliminary Final Statement, <p>and that statement is not materially varied,</p>	<p>As at the date of this Target's Statement, the Board of NPH hereby confirms the matters set out in this condition.</p>

Condition	NPH Response
<p>revoked or qualified (whether in any supplementary target's statement or otherwise) prior to the end of the period in which MFG's Offer is open.</p>	
<p>Dividends</p> <p>During the period from 5 October 2007 to the end of the period of MFG's Offer, other than the final dividend payable by NPH in October 2007, NPH does not make or declare any distribution, whether by way of dividend, capital reduction or otherwise and whether in cash or in specie.</p>	<p>Your Directors note that no dividends have been declared or paid, other than the dividend paid on 9 October 2007.</p> <p>Your Directors are not aware of any reason why this condition would not be satisfied.</p>
<p>Shareholder approval</p> <p>Before the end of the Share Offer Period, various matters set out in section 9.7(e) of the Bidder's Statement are approved by the requisite majority of MFG Ordinary Shareholders at a general meeting of shareholders of MFG.</p>	<p>Your Directors note the Bidder's Statement states that MFG is seeking shareholder approval on 7 February 2008.</p> <p>Where NPH is permitted to vote the MFG Shares it holds at the general meeting convened by MFG, it intends to vote all shares in favour of the resolutions.</p>
<p>Prescribed occurrences conditions</p> <p>No prescribed occurrences (set out in section 9.7(f) of the Bidder's Statement) (other than the issue of NPH Shares upon exercise of the NPH First Options or NPH Second Options) by NPH Optionholders occurs in the period from the date of the Bidder's Statement to the end of the Share Offer Period or has occurred in the period from 5 October 2007 to 19 December 2007.</p>	<p>Your Directors are not aware of any reason why these conditions would not be satisfied.</p>
<p>Chris Mackay's NPH First Options</p> <p>Mr Mackay's investment company does not exercise any of its 6,992,705 NPH First Options prior to their expiration of 31 December 2007.</p>	<p>As the condition to Mr Mackay's irrevocable commitment to let the NPH First Options lapse (the Independent Expert determining that MFG's Offer for NPH Shares is fair and reasonable) has been satisfied, your Directors expect that this condition will be satisfied.</p>
<p>MFG's Offer for NPH Second Options</p>	
<p>MFG's Offer for NPH Second Options</p> <p>That on or before the end of the period of MFG's Share Offer, all conditions of MFG's Share Offer in respect of your NPH Shares are satisfied or waived.</p>	<p>See the above discussion of the conditions to MFG's Share Offer.</p>

As at the date of this Target's Statement, MFG has not announced that any of the conditions of MFG's Offer have been fulfilled or waived.

NPH Shareholders should be aware that even if the conditions of MFG's Offer are not satisfied they may be waived by MFG. If a condition is unsatisfied, and has not been dropped, MFG may allow MFG's Offer to lapse with unsatisfied conditions.

9.2 **Notice of Status of Conditions**

The Bidder's Statement states that the date on which MFG will give its Notice of Status of Conditions to the ASX and NPH is 7 February 2008.

MFG is required to set out in its Notice of Status of Conditions:

- (a) whether MFG's Offer is free of any or all conditions;
- (b) whether, so far as MFG knows, any of the conditions have been fulfilled; and
- (c) MFG's voting power in NPH.

If a condition is fulfilled (so that MFG's Offer becomes free of the condition) before the date on which the Notice of Status of Conditions is required to be given, MFG must, as soon as possible, give ASX and NPH a notice that states that the particular condition has been fulfilled.

The condition relating to MFG shareholder approval cannot be satisfied until 7 February 2008.

10. TAXATION CONSIDERATIONS

10.1 Taxation considerations

The taxation consequences of accepting MFG's Offer will depend on the circumstances of individual NPH Securityholders. You should consult a professional taxation adviser if you need further information regarding your taxation position.

If you are in any doubt as to the action you should take in relation to MFG's Offer, you should consult a professional adviser.

10.2 Scrip-for-scrip roll-over relief

Section 6 of MFG's Bidder's Statement sets out a general description of the Australian income and capital gains tax consequences to NPH Securityholders on disposing of their NPH Shares or their NPH Second Options through acceptance of the Share Offer or the Options Offer (as relevant).

The following supplementary points may also be relevant depending on NPH Securityholders personal circumstances.

As noted in section 6.2 of the Bidder's Statement any capital gain made in respect of NPH Shares held on capital account and acquired, or deemed to have been acquired, before 20 September 1985 will be disregarded for CGT purposes. Scrip-for-scrip roll-over does not apply to NPH Shares held on capital account and acquired, or deemed to have been acquired, before 20 September 1985. Instead, the MFG Shares and MFG Options that an NPH Shareholder receives in exchange for such NPH Shares will be deemed to have been acquired on their actual date of acquisition. The cost base and reduced cost base of such MFG Shares and MFG Options will equal their market value on that date.

The discount capital gains concession referred to in section 6.2(b) of the Bidder's Statement is also not relevant for the purposes of calculating a capital loss that may arise in respect of a single transaction. Further, where discount capital gains are made and capital losses are also available the value of the concession may be reduced as capital losses will be offset against discount capital gains in priority to application of the concession.

10.3 Additional considerations

(a) Tax consolidation

Recent announcements made by the former Minister for Revenue and Assistant Treasurer (Minister) carry with them potential income tax implications for MFG in the context of MFG's revised Offer.

In broad terms, the announcements signalled the former Federal Government's intention to modify the tax consolidation regime to restrict the application of the "tax cost setting" rules in circumstances where an entity joins a consolidated group following a CGT roll-over (such as a scrip-for-scrip arrangement). It is unclear whether the new Federal Labor Government will adopt the same policy as the previous Federal Government.

In the event that NPH becomes a wholly-owned subsidiary of MFG and, subsequently, a member of an MFG tax consolidated group, then having regard to the former Minister's announcements, this may result in there being no opportunity for MFG to "step-up" the tax cost of NPH's assets to reflect the price paid (ie the market value) for the securities in NPH.

The former Minister stated that for arrangements involving listed companies, the proposed new measures were only to apply where an intention to undertake a takeover bid or enter a scheme of arrangement was announced by either a Bidder or a Target to an approved stock exchange after 12 October 2007.

MFG announced its initial offer on 5 October 2007 and the revised MFG Offer on 10 December 2007. As at the date of this Target's Statement, no legislation has been drafted or introduced into Federal Parliament giving effect to the statements of the former Minister, and accordingly, certainty in respect of these proposals and how they will apply to MFG's Offer can not be obtained until such time as this occurs.

(b) **Tax losses**

Both MFG (on the basis of its financial statements for the year ended 30 June 2007) and NPH currently have carried forward tax losses. In order for these losses to be recouped, under the income tax legislation either a "continuity of ownership" test (COT) or a "same business test" (SBT) must be satisfied.

MFG's Offer may have implications on the ability of either or both of MFG and NPH to satisfy the COT.

MFG's Offer (if successful) is likely to cause NPH to fail the COT, due to the likely significant change in underlying ownership interests in, and control of, NPH. In addition, the issue of new shares by MFG to the NPH Securityholders may also cause it to fail the COT (in conjunction with other, previous, changes in ownership).

The impact of the revised Offer on the satisfaction of this test will require various calculations to be undertaken, broadly to determine that a majority of shares held in both NPH and MFG prior to the revised Offer continue to be held by the same persons thereafter.

To the extent that MFG is the "head entity" of a "tax consolidated group", and acquires 100% of the Shares in NPH, there may also be further considerations associated with the transfer of NPH's tax losses following acquisition by MFG, and the rate of utilisation of current carry forward tax losses.

Should the COT be breached, the SBT will need to be satisfied to ensure that the carried forward tax losses may be recouped. If both tests are failed by NPH or MFG, then carried forward tax losses will effectively be foregone.

11. IMPORTANT INFORMATION ABOUT MFG'S OFFER

11.1 MFG is offering the following consideration for each of your NPH Shares

MFG is offering 1.95 MFG Shares and 0.33 MFG 2016 Options for each of your NPH Shares.

11.2 MFG is offering the following consideration for each of your NPH Second Options

MFG is offering 3 MFG 2011 Options for each of your NPH Second Options.

11.3 Quotation of MFG 2011 Options and MFG 2016 Options

MFG intends to apply for quotation of the MFG 2011 Options and MFG 2016 Options on ASX. Quotation is neither guaranteed nor automatic on such applications.

11.4 Offer for NPH Second Options

MFG's Offer extends to all NPH Shares and NPH Second Options that are issued to you during the Offer Period as a result of the exercise of NPH First Options over NPH Shares. MFG's Offer **DOES NOT** extend to your NPH First Options.

11.5 Offer Period

MFG's Offer is open for acceptance from 24 December 2007 until 7.00pm (Sydney time) on 15 February 2008, unless it is extended or withdrawn.

11.6 Extension of Offer Period

While MFG's Offer is subject to a defeating condition, MFG may extend the Offer Period at any time before giving the Notice of Status of Conditions.

However, if MFG's Offer is not subject to a defeating condition (that is, it is free of all defeating conditions), MFG may extend the Offer Period at any time before the end of the Offer Period. To extend the Offer Period, MFG must lodge a notice of variation with ASIC and give a notice to NPH and to each NPH Shareholder to whom offers were made under the takeover bid constituted by MFG's Offer.

In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

- MFG improves the consideration under MFG's Offer; or
- MFG's voting power in NPH increases to more than 50%.

If either of these events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

11.7 Withdrawal of MFG's Offer

MFG may not withdraw MFG's Offer if you have already accepted it. Before you accept MFG's Offer, MFG may withdraw MFG's Offer with the written consent of ASIC and subject to the conditions (if any) specified in that consent.

11.8 Effect of acceptance

If you accept MFG's Offer, subject to the withdrawal rights set out in section 11.9 below:

- you will relinquish control of your NPH Shares or NPH Second Options to MFG but will have no guarantee of payment until MFG's Offer becomes unconditional;

-
- you will be unable to sell your NPH Shares on ASX or NPH Second Options on ASX (if they are listed); and
 - you will be unable to accept any higher takeover bid that may be made by a third party or any alternative transaction that may be recommended by the Board. However, the Board considers that it is unlikely that a third party bid or an alternative transaction will eventuate.

The effect of acceptance for your NPH Shares is set out in detail in section 9.6 of the Bidder's Statement and the effect of acceptance for your NPH Second Options is set out in detail in section 10.5 of the Bidder's Statement. These sections describe the rights attached to your NPH Shares and NPH Options that you will be giving up, the representations and warranties that you will be making and the irrevocable authorities and appointments that you will be giving MFG if you accept MFG's Offer.

Please note that your Directors do not take any responsibility for the contents of the Bidder's Statement and are not endorsing any of the statements contained in it.

11.9 Limited rights to withdraw your acceptance

You have only limited rights to withdraw your acceptance of MFG's Offer. You may withdraw your acceptance for your NPH Shares or NPH Second Options of MFG's Offer only if:

- it is still subject to a defeating condition; and
- MFG's Offer is varied in a way that postpones, for more than one month, the time when MFG needs to meet its obligations under MFG's Offer. This may occur if MFG extends the Offer Period by more than one month and MFG's Offer is still subject to a defeating condition.

If you have accepted MFG's Offer and the offer conditions are not satisfied or waived by the end of the Offer Period (which may be extended), MFG's Offer will lapse and you will be free to deal with your NPH Shares.

11.10 Timing of provision of offer consideration

If you accept MFG's Offer in accordance with the instructions contained in the Bidder's Statement, MFG will provide the consideration for your NPH Shares or NPH Second Options to you by the earlier of:

- the day one month after you accept MFG's Offer or, if MFG's Offer is subject to a defeating condition when accepted, one month after the contract resulting from your acceptance becomes unconditional; and
- the day twenty one days after the end of the Offer Period, assuming MFG's Offer has become unconditional.

11.11 Compulsory acquisition

MFG has stated in section 3.2(a) of the Bidder's Statement that if it becomes entitled to proceed to compulsory acquisition of NPH Shares in accordance with the Corporations Act and the other conditions of MFG's Offer are satisfied, then MFG intends to proceed to compulsory acquisition.

The two types of compulsory acquisition under Chapter 6A of the Corporations Act are discussed below.

(a) Follow on compulsory acquisition

Under Part 6A.1 of the Corporations Act, MFG will be entitled to compulsorily acquire any outstanding NPH Shares and NPH Second Options for which it has not received

acceptances on the same terms as MFG's Offer if, during or at the end of the Offer Period, MFG (together with its associates):

- has relevant interests in at least 90% (by number) of the NPH Shares and NPH Second Options; and
- has acquired at least 75% (by number) of the NPH Shares and NPH Second Options that MFG offered to acquire under MFG's Offer (whether the acquisitions happened under MFG's Offer or otherwise).

If these thresholds are met, MFG will have up to one month after the end of the Offer Period within which to give compulsory acquisition notices to NPH Shareholders and NPH Optionholders and who have not accepted MFG's Offer. NPH Shareholders and NPH Optionholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant NPH Shareholders and NPH Optionholders to establish to the satisfaction of a court that the terms of MFG's Offer do not represent "fair value" for the NPH Securities.

NPH Shareholders and NPH Optionholders should be aware that if they do not accept MFG's Offer and their NPH Shares and/or NPH Second Options are compulsorily acquired, those NPH Shareholders and NPH Optionholders (as applicable) will face a delay in receiving the consideration for their NPH Shares and/or NPH Second Options compared with NPH Shareholders and NPH Optionholders who have accepted MFG's Offer.

(b) **General compulsory acquisition**

Under Part 6A.2 of the Corporations Act, MFG will be entitled to compulsorily acquire any outstanding NPH Shares and NPH Second Options if MFG holds full beneficial interests in at least 90% of NPH Shares and NPH Second Options (by number) (i.e. if MFG becomes a 90% holder).

If this threshold is met, MFG will have six months after MFG becomes a 90% holder within which to give compulsory acquisition notices to NPH Shareholders and NPH Optionholders (as the case may be). The compulsory acquisition notices sent to NPH Shareholders and NPH Optionholders (as the case may be) must be accompanied by an independent expert's report and an objection form.

The independent expert's report must set out whether the terms of the compulsory acquisition give a "fair value" for the NPH Shares and NPH Second Options and the independent expert's reasons for forming that opinion.

If NPH Shareholders and NPH Second Optionholders (as the case may be) with at least 10% of NPH Shares and NPH Second Options (as the case may be) covered by the compulsory acquisition notice object to the acquisition before the end of the objection period (which must be at least 1 month), MFG may apply to the Court for approval of the acquisition of the NPH Shares and/or NPH Second Options covered by the notice.

NPH Shareholders and NPH Second Optionholders should be aware that if they do not accept MFG's Offer and their NPH Shares and NPH Second Options are compulsorily acquired, those NPH Shareholders and NPH Optionholders will face a delay in receiving the consideration for their NPH Shares and NPH Second Options compared with NPH Shareholders and NPH Second Optionholders who have accepted MFG's Offer.

12. OTHER MATERIAL INFORMATION

12.1 Changes in NPH's financial position

Since the date of the last balance sheet sent to NPH Shareholders (being the balance sheet as at 30 June 2007) to 20 December 2007, there have been the following changes to the value of NPH's assets:

Item	As at 30 June 2007	As at 20 December 2007 (1)
Cash	\$4,838,152	\$6,419,108
Securities in MFG and Magellan Flagship Fund Limited (2)	\$22,482,291	\$13,409,643
Investment in NPH Funds (3)	\$17,869,192	\$10,665,898
Other securities	\$10,221,990	\$8,836,323

(1) All amounts are approximate and unaudited, and (other than in respect of the cash) are based on market values as at 20 December 2007 and subject to ongoing fluctuations in market prices.

(2) As at 30 June 2007 and as at close of trading on 21 December 2007 the values of: MFG Shares were \$2.20 and \$1.52 respectively; MFG 2009 Options were \$2.22 and \$0.80 respectively; and Magellan Flagship Fund Limited ordinary shares were \$0.935 and \$0.780.

(3) NPH Funds holds securities in MFG which have decreased in value (in total) from \$41,720,547 on 30 June 2007 to \$24,894,820 on 30 November 2007. NPH holds a 60% interest in NPH Funds. The values of the "Investment in NPH Funds" shown above in respect of NPH Funds represents 60% of the net assets of NPH Funds on 30 June 2007 and 30 November 2007 (based on management accounts) respectively.

As far as the Directors are aware, there have been no other material changes to the financial position of NPH since 30 June 2007 which have not been announced to ASX. A list of ASX announcements made in relation to NPH between 5 October 2007 and the date before the date of this Target's Statement is set out in Appendix B.

12.2 Price Performance of NPH Shares

Thin volumes of NPH Shares have traded in a wide range of prices in the 12 month period leading up to the announcement of MFG's Initial Offer on 5 October 2007. Specifically, during the week prior to and including 4 October 2007, NPH Shares traded at a high of \$3.40 and a low of \$3.19, with a volume weighted average price for this period of \$3.21.

In the period between MFG's Initial Offer and 20 December 2007, NPH Shares have traded between \$2.80 and \$3.30, albeit with limited volumes.

12.3 Voluntary Escrow Deed

Magellan Equities, the investment vehicle through which Mr Mackay holds the majority of his interests in NPH, entered into a Voluntary Escrow Deed with NPH on 9 March 2006. The terms of the Voluntary Escrow Deed put restrictions on Magellan Equities' ability to dispose of all of Magellan Equities NPH Shares (other than those held prior to 9 March 2006) and NPH Second Options. Any NPH Shares received as a consequence of exercising NPH First Options, are also subject to the escrow restrictions.

The terms of the Voluntary Escrow Deed mean that Magellan Equities is prohibited from selling NPH Shares or NPH Second Options until the expiration of the escrow period, being 4.00pm on 31 December 2011, unless (among other things):

- a takeover bid is made; **and**
- holders of at least half of the NPH Shares on issue (other than all of Magellan Equities NPH Shares) have accepted the Offer; **and**
- a new escrow agreement is entered into between NPH, Magellan Equities and the bidder to the effect that if only part of Magellan Equities NPH Shares are acquired by the bidder, the balance will be subject to an escrow restriction on similar terms to the Voluntary Escrow Deed.

Magellan Equities holds approximately 36% of NPH Shares (assuming that all NPH Options held by Magellan Equities are not exercised). The number of NPH Shares not subject to escrow is 907,522.

12.4 Effect of Offer on NPH's material contracts

NPH is not party to any material contracts which contain a change in control provision that may be triggered in connection with MFG's Offer.

NPH is a party to the Exclusivity Deed, which may cease to exist if MFG's Offer is successful. (See section 1.4 for further detail concerning the Exclusivity Deed.) However, Mr Mackay and Mr Douglass have both agreed to re-commit to their current exclusivity arrangements with MFG until at least 1 July 2012.

NPH is also party to the Voluntary Escrow Deed which will cease to exist if MFG's Offer is successful. (See section 12.3 for further detail concerning the Voluntary Escrow Deed.)

12.5 NPH's issued securities

As at the close of business on 21 December 2007, the issued securities of NPH consisted of 23,241,719 NPH Shares, 7,599,193 NPH First Options and 1,450,660 NPH Second Options.

12.6 ASX Announcements since date of the Bidder's Statement

A list of ASX Announcements made in relation to NPH since the date of the Bidder's Statement and up to the day before the date of this Target's Statement is set out in Appendix B to this Target's Statement.

12.7 ASIC modifications and exemptions

This Target's Statement includes or is accompanied by statements which are made in or based on statements made in documents lodged with ASIC or on the company announcement platform of ASX. Under the terms of ASIC class order 01/1543, the parties making those statements are not required to consent to, and have not consented to, those statements being included in this Target's Statement.

If you would like to receive a copy of any of these documents please contact NPH on (03) 8613 8888 or (03) 9256 8738 and you will be sent a copy free of charge.

12.8 Consents

The following persons have given and have not, before the date of issue of this Target's Statement withdrawn their consent to:

- (a) be named in this Target's Statement in the form and context in which they are named; and

- (b) where applicable, the inclusion of other statements in this Target's Statement which are based on or referable to statements noted next to their names, or which are based on or referable to other statements made by those persons, in the form and context in which they are included:

Entity	Capacity	Statements
Blake Dawson	Legal adviser to NPH	N/A
KPMG Corporate Finance (Aust) Pty Ltd	Corporate adviser to NPH	N/A
Lonergan Edwards & Associates Limited	Independent Expert	Concise Independent Expert's Report and extracts from the Independent Expert's Report
Directors	Directors of NPH	Statements made by, or statements based on statements made by, the Directors

12.9 Continuous disclosure

NPH is a "disclosing entity" under the Corporations Act and, as a consequence of the Corporations Act and Listing Rules, is subject to regular reporting and disclosure obligations.

NPH is required to notify the ASX about specified matters and events as they occur, so that the information can be made available to the market. In particular, NPH has an obligation (subject to certain exceptions) to notify ASX as soon as it becomes aware of any information which a reasonable person would expect to have a material effect on the price or value of NPH Shares.

12.10 No other material information

This Target's Statement is required to include all the information that NPH Securityholders and their professional advisers would reasonably require to make an informed assessment whether to accept MFG's Offer, but the statement must contain this information:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in the statement; and
- only if the information is known to any of the Directors of NPH.

Your Directors are of the opinion that there is no information that holders of NPH Shares or holders of NPH Options and their professional advisers would reasonably require to make an informed assessment whether or not to accept MFG's Offer and reasonably expect to find in this Target's Statement, which is known to any of the Directors other than:

- information set out in this Target's Statement and the Bidder's Statement or MFG's Offer; and
- information which has previously been disclosed to the holders of NPH Shares or NPH Options disclosed to ASX or ASIC under the regular reporting and disclosure obligations to which NPH is subject as a disclosing entity for Corporations Act purposes.

13. DEFINITIONS AND INTERPRETATION

13.1 Definitions

The following definitions apply in interpreting this Target's Statement, except where the context makes it clear that a definition is not intended to apply:

ASIC means Australian Securities and Investments Commission.

ASX means ASX Limited.

Bidder's Statement means the bidder's statement received by NPH from MFG under Part 6.5 of the Corporations Act on 20 December 2007 and dispatched to NPH Securityholders on or about 24 December 2007.

Board means the board of Directors of NPH.

Concise Independent Expert's Report means a concise version of the Independent Expert's Report prepared by Lonergan Edwards & Associates Limited and attached at Appendix A.

Corporations Act means the *Corporations Act 2001* (Cth).

Director means a director of NPH.

Directors means Alan Naylor, Norman Anderson, David Baer and Peter Montgomery.

Exclusivity Deed means the deed between MFG, NPH, NPH Funds, Mr Mackay and Mr Douglass dated 21 November 2006 (see section 1.4).

Independent Expert means Lonergan Edwards & Associates Limited.

Magellan Equities means Magellan Equities Pty Limited ABN 59 053 948 093, the investment company of Mr Chris Mackay.

MFG 2009 Option means options issued by MFG exercisable in each year prior to 1 July 2009 for \$1.20, exercisable in accordance with the terms of the MFG Prospectus issued on 5 April 2007.

MFG 2011 Option means options issued by MFG exercisable in each year prior to 30 June 2011 (commencing after 30 June 2009) for \$1.30 the terms of which are described in Annexure A of the Bidder's Statement.

MFG 2016 Options means options issued by MFG exercisable in each year prior to 30 June 2016 (commencing after 30 June 2008) for \$3.00, the terms of which are described in Annexure B of the Bidder's Statement.

MFG means Magellan Financial Group Limited ABN 59 108 437 592.

MFG Securities means MFG Shares and MFG 2009 Options.

MFG Share means a fully paid ordinary share in MFG.

MFG's Initial Offer means MFG's offer for NPH Shares and NPH Second Options contained in its Bidder's Statement dispatched on 5 December 2007 (subsequently withdrawn).

MFG's Offer means (as the case may be):

- (a) the offer to acquire all NPH Shares; and
- (b) the offer to acquire all NPH Second Options,

made by MFG in the Bidder's Statement.

MFG's Options Offer means MFG's offer to acquire all NPH Second Options as set out in MFG's Bidder's Statement.

MFG's Share Offer means MFG's offer to acquire all NPH Shares as set out in MFG's Bidder's Statement.

Midas Touch Investments means Midas Touch Investments Pty Ltd ABN 19 079 087 031, the investment company of Mr Hamish Douglass.

MSA means the Management Services Agreement between NPH Funds and MFG dated 21 November 2006.

Notice of Status of Conditions means MFG's notice disclosing the status of the conditions of MFG's Offer which is required to be given by section 630(3) of the Corporations Act.

NPH Dividend Reinvestment Plan means the plan under which shareholders of NPH can elect to have dividend payments reinvested into NPH as shares, rather than receiving dividends in cash.

NPH First Options means options issued by NPH in accordance with the terms of the NPH Prospectus issued on 2 May 2006, and exercisable during the month of December 2007, or in the event of a takeover or reconstruction.

NPH Funds means NPH Funds Pty Limited ABN 25 120 592 672.

NPH means New Privateer Holdings Limited ABN 83 006 106 690.

NPH Optionholder means a registered holder of NPH First Options and/or NPH Second Options.

NPH Options means NPH First Options and/or NPH Second Options.

NPH Second Optionholder means a registered holder of NPH Second Options.

NPH Second Options means options issued by NPH in accordance with the terms of the NPH Prospects issued on 2 May 2006, and exercisable during the months of June and December in each year from June 2008 to December 2010 or in the event of a takeover or reconstruction. NPH Second Options are issued on conversion of NPH First Options to NPH Shares.

NPH Securities means NPH Shares and/or NPH Second Options.

NPH Securityholder means an NPH Shareholder and/or NPH Second Optionholder.

NPH Share means a fully paid ordinary share in NPH.

NPH Shareholder means a registered holder of NPH Shares.

Offer means MFG's Offer.

Offer Period means the period during which MFG's Offer is open for acceptance by NPH Shareholders and NPH Optionholders.

Option Exercise Notice means the notice sent to you on or about 23 November 2007 for the exercise of your NPH First Options.

Share Offer Period has the meaning given in the Bidder's Statement.

Target's Statement means this document, being the target's statement of NPH under Part 6.5, Division 3 of the Corporations Act in response to MFG's Bidders Statement.

Voluntary Escrow Deed means the deed between NPH and Magellan Equities dated 9 March 2006 (see section 12.3).

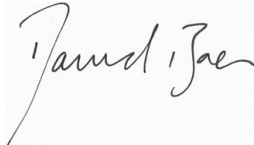
13.2 Interpretation

- (a) Words and phrases which are defined by the Corporations Act have the same meaning in this Target's Statement and, if a special meaning is given for the purposes of Chapter 6 or 6A or a provision of Chapter 6 or 6A of the Corporations Act, have that special meaning.
- (b) Headings are for convenience only, and do not affect interpretation.
- (c) The following rules also apply in interpreting this Target's Statement, except where the context makes it clear that a rule is not intended to apply:
 - (i) a singular word includes the plural, and vice versa;
 - (ii) a word which suggests one gender includes the other genders;
 - (iii) if a word is defined, another part of speech has a corresponding meaning;
 - (iv) references in this Target's Statement to sections, clauses, paragraphs and sub-paragraphs are to sections, clauses, paragraphs and sub-paragraphs of this Target's Statement;
 - (v) a reference to any legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
 - (vi) a reference to a person includes a body corporate;
 - (vii) a reference to dollars, \$, A\$ or AUD is to the lawful currency in Australia unless otherwise stated; and
 - (viii) appendices to this Target's Statement form part of it.

DATED 24 December 2007

SIGNED for and on behalf of New Privateer Holdings Limited by David Baer, being a Director of New Privateer Holdings who is authorised to so sign pursuant to a resolution passed at a meeting of the Directors of New Privateer Holdings Limited.

Director

A handwritten signature in black ink, appearing to read "David Baer", is written over a light grey rectangular background.

APPENDIX A

CONCISE INDEPENDENT EXPERT'S REPORT

Private & Confidential

The Directors
New Privateer Holdings Limited
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Melbourne Vic 3000

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21 December 2007

Subject: Independent Expert's Report

Dear Sirs

Introduction

- 1 On 5 October 2007 Magellan Financial Group Limited (MFG) announced that:
 - (a) MFG proposed to make conditional off-market takeover offers for all the shares and options in New Privateer Holdings Limited (NPH), and
 - (b) assuming the success of the takeover offers, to internalise the Management Services Agreement (MSA) between NPH Funds Pty Limited (NPH Funds)¹ and MFG.
- 2 MFG subsequently issued a Bidder's Statement on 21 November 2007 containing offers for the shares and options in NPH consistent with the 5 October 2007 announcement.
- 3 On 10 December 2007 MFG and NPH jointly announced a proposed revised offer from MFG as follows:
 - (a) 1.95 MFG shares and 0.33 MFG 2016 options² (exercisable at \$3.00) for each NPH share; and

¹ The shareholding in NPH Funds comprises NPH 60% and interests associated with Mr Hamish Douglass (the Chairman of MFG) 40%.

² The MFG 2016 options will be exercisable at \$3.00 during the two months following the release of MFG's full and half year results for each year up until and including the half year ending 30 June 2016. MFG intends to apply for quotation of the MFG 2011 options and the MFG 2016 options.

(b) 3 MFG 2011 options for each NPH 2010 option³,

(the Offers).

4 The Directors of NPH have stated that they:

(a) unanimously recommend that NPH shareholders accept MFG's revised offer for their NPH shares

(b) intend to accept MFG's revised offer for all of the NPH shares they own or control and intend to accept MFG's revised offer for all of the NPH options they own or control

subject to the independent expert appointed by NPH determining that MFG's revised offer for NPH shares is fair and reasonable⁴. The NPH Directors' recommendation in relation to MFG's revised offer for the NPH 2010 options will be set out in NPH's Target Statement.

Profile of NPH

5 NPH is a publicly listed investment holding company with a portfolio of investments in Australia and overseas. Concurrent with a significant recapitalisation of the company in 2006, NPH moved into funds management through its 60% interest in NPH Funds.

6 The investment portfolios of both NPH and NPH Funds include investments in MFG shares and options. NPH holds an effective 6% interest in MFG on a fully diluted basis.

Profile of MFG

7 MFG is a publicly listed Australian based specialist funds management group formed via the recapitalisation of Pengana HedgeFunds Group in 2006. MFG has two principal businesses:

(a) Magellan Asset Management Limited (MAM) which is MFG's primary operating business. MAM presently operates as the investment manager of Magellan Flagship Fund Limited (MFF) and of two unlisted managed funds, Magellan Global Fund and Magellan Infrastructure Fund

³ The NPH 2010 options are to be issued on the exercise of existing NPH 2007 options on or before 31 December 2007. Under the MFG offer holders of NPH 2010 options have the ability to exercise these options and accept the MFG offer for the NPH shares issued pursuant to the exercise of the options.

⁴ This report assesses MFG's revised offer for NPH shares as fair and reasonable.

- (b) Magellan Investments, formed to invest in a limited number of other fund managers, either by providing capital to seed a new business, acquiring an interest in an established funds management business or establishing a joint venture. To date MFG has not made any investments in other funds management businesses.

- 8 Chris Mackay (the deputy chairman of MFG) holds an approximate 55% interest in NPH on a fully diluted basis. In conjunction with the 40% interest of Hamish Douglass in NPH Funds and his 2% interest in NPH, Mr Mackay and Mr Douglass together hold an approximate 74.2% indirect interest in NPH Funds (on a fully diluted basis).

- 9 There is no statutory requirement for NPH to obtain an Independent Expert's Report (IER). However, as noted above, the Directors' recommendation of the revised offer is subject to the independent expert appointed by NPH determining that MFG's revised offer for NPH shares is fair and reasonable.

- 10 Accordingly, the Directors of NPH have requested that Lonergan Edwards & Associates Limited (LEA) prepare an IER to accompany the Target's Statement to be sent to NPH shareholders stating whether, in our opinion, the terms of the revised takeover offer are fair and reasonable to NPH shareholders.

- 11 In addition our report also considers:
 - (a) whether the terms of the revised takeover offer for NPH options are fair and reasonable to NPH optionholders; and
 - (b) whether it will be in the best interests of NPH optionholders to exercise their NPH 2010 options and accept the MFG offer for the NPH shares issued pursuant to the option exercise.

- 12 LEA is independent of NPH and MFG and has no other involvement or interest in the outcome of the Offers, other than the preparation of this report.

NPH shareholders

Valuation of NPH

- 13 LEA has valued 100% of the shares in NPH at between \$2.42 to \$2.86 per share as summarised below:

	Low \$m	High \$m
Value of investment portfolio ⁽¹⁾	33.7	36.1
Value of 60% interest in MSA	35.0	50.0
Other assets (net of liabilities)	4.8	4.8
	73.5	90.9
Option exercise monies	23.0	23.0
Value of 100% of shares in NPH	96.5	113.9
Fully diluted shares on issue (million)	39.89	39.89
Value per share	\$2.42	\$2.86

Note:

1 Net of deferred tax liability.

- 14 The majority of the NPH investment portfolio (including indirect interests held through NPH Funds) comprises shares and options in MFG. We have adopted values for these securities consistent with those adopted (below) in assessing the value of the consideration offered.
- 15 We have assessed the balance of the NPH investment portfolio having regard to:
- (a) the prevailing share price, together with the recent share trading history
 - (b) the volumes of shares traded in the previous 12 months
 - (c) the interest of NPH in the company in both volume of shares and percentage terms
 - (d) any other constraints limiting the capacity of NPH to realise the investments.
- 16 We have assessed the value of NPH's 60% interest in the MSA adopting the DCF methodology. The cash flows attributable to the MSA are base and performance fees, the annual level of which are dependent on the market capitalisation of MFG, which in turn is dependent on factors such as the underlying growth in funds under management (FUM) (together with the related performance of MFG as a fund manager), macro economic factors and the performance of (global) stock markets generally. We have projected cash flows over the (minimum) life of the MSA to November 2016, based on various scenarios as to the rate of growth of FUM by MFG. We note that the

current market capitalisation of MFG implies a value for the funds management business that reflects a market expectation of a significant growth in FUM over the level of funds currently managed by MFG.

- 17 We have adopted an appropriate equity discount rate and have assessed the value of the MSA in the range of \$35.0 million to \$50.0 million. The width of this range reflects the inherent uncertainty in projecting future cash flows, particularly in respect of the limited funds management history of MFG to date.
- 18 Our assessed value range of NPH of \$2.42 to \$2.86 per share compares with prices of around \$3.00 per share at which NPH shares have traded in recent times. As the value of NPH is inherently dependent on the value of MFG shares and options (on which our valuation of NPH has been based) it would appear there is / has been an inconsistency in the prices at which NPH and MFG shares have traded. We note that the level of market liquidity in MFG shares is greater than the observed liquidity in NPH shares.

Value of consideration offered

- 19 In assessing the value of the MFG share and option consideration we believe it is reasonable to have regard to the recent prices at which MFG shares have traded. This is principally because the listed market prices of MFG shares are likely to represent a reasonable proxy for the amount that NPH shareholders could expect to realise if they sold any MFG shares received as consideration either immediately or in the short-term. In addition we consider there is reasonable liquidity in MFG shares having regard to the effective level of “free float” in the company.
- 20 The price of MFG shares over more recent periods is shown below:

	Low	High	VWAP ⁽¹⁾
	\$	\$	\$
1 month to 14 December 2007	1.51	1.69	1.60
From 5 October 2007 (announcement date of MFG’s intention to make an offer) to 14 December 2007	1.51	1.86	1.67

Note:

1 Volume weighted average price.

- 21 Based on the above analysis, in particular trading subsequent to the announcement on 5 October 2007 of the intention to make the offers, we note that the volume weighted average price (VWAP) of MFG at the time of writing this report is around \$1.65 per share.

- 22 In addition to the recent trading range of MFG shares, in assessing the value of the MFG shares offered as consideration we have had regard to:
- (a) the number of shares to be issued by MFG under the Offers as compared to the existing number of MFG shares on issue
 - (b) the likely level of on-market trading in MFG shares subsequent to completion of the Offers, having regard to factors including:
 - (i) any potential oversupply of MFG shares from those NPH shareholders not wishing to retain the MFG shares received as consideration
 - (ii) the dilution effect implicit in the control premium being paid by MFG
 - (c) general stock market conditions.
- 23 We have valued the MFG shares offered as consideration at between \$1.60 and \$1.70 per share (consistent with the recent VWAP and trading range).
- 24 We have assessed the value of MFG 2016 options to be issued as part of the consideration for NPH shares at between \$0.25 to \$0.61 per option. The methodology and assumptions used to value options are described in the NPH optionholders section below.
- 25 Based on the above we have assessed the value of the share consideration payable under the Offers at \$3.20 to \$3.52 per NPH share as follows:

	Low	High
	\$	\$
Assessed value of MFG shares	1.60	1.70
Offer ratio	1.95	1.95
(A)	3.12	3.32
Assessed value of MFG 2016 options	0.25	0.61
Offer ratio	0.33	0.33
(B)	0.08	0.20
Total assessed value of consideration (A) + (B)	3.20	3.52

- 26 NPH shareholders should note that the listed market price of MFG shares is subject to daily fluctuation. The price at which MFG shares may be sold may therefore be greater or less than our assessed value of MFG shares of \$1.60 to \$1.70 per share.

- 27 NPH shareholders should also note that any decision to hold MFG shares beyond the short-term is a separate investment decision. As it is not possible to accurately predict future share price movements any decision to hold MFG shares should be made by shareholders having regard to their risk profile, liquidity preference, tax position and expectations as to value and future market conditions.

Opinion and recommendation

- 28 Pursuant to Australian Securities and Investments Commission (ASIC) Regulatory Guide 111 an offer is “fair” if:

“The value of the offer price or consideration is equal to or greater than the value of the securities the subject of the offer.”

- 29 This comparison is shown below:

	Low	High	Mid-point
	\$	\$	\$
Value of consideration (per share)	3.20	3.52	3.36
Value of 100% of NPH (per share)	2.42	2.86	2.64
Extent to which Offer exceeds value per share	0.78	0.66	0.72

- 30 As the consideration offered by MFG (\$3.20 to \$3.52 per share) is greater than our assessed value for 100% of the shares in NPH (\$2.42 to \$2.86 per share), in our opinion, the Offer is fair when assessed based on the guidelines set out in Regulatory Guide 111.

- 31 Pursuant to Regulatory Guide 111, an offer is reasonable if it is fair. Consequently, in our opinion, the Offer is fair and reasonable.

- 32 We therefore recommend that NPH shareholders accept the Offer, and also note that:

- (a) interests associated with the Directors (who hold approximately 24% of NPH shares) intend to accept the Offer
- (b) as a result of (a) it is likely that MFG will be able to compulsorily acquire the remaining shares in NPH at the same price as paid under the Offer⁵
- (c) the Offer has been declared final and is unlikely to be increased

⁵ Acceptances under the Offer by at least 75% of NPH shareholders (by number) are also required in order for MFG to compulsorily acquire the remaining shares.

- (d) no alternative offer is likely to be made for NPH prior to the close of the Offer.
- 33 In addition NPH security holders accepting the Offers will benefit from the following:
- (a) Mr Mackay has indicated that associated with the Offers he will not exercise and allow to lapse the options in NPH held by his investment company (approximately 6.99 million options) which expire on 31 December 2007. Accordingly, MFG will effectively acquire a 35% interest in NPH on a fully diluted basis for no consideration
- (b) Mr Douglass has indicated that subsequent to the success of the Offers he will procure his investment company to sell its 40% interest in NPH Funds to MFG for a consideration which excludes any compensation for possible performance fees under the MSA.

NPH optionholders

- 34 In assessing the value of NPH and MFG options we have adopted the binomial lattice option pricing methodology, with a cross-check from the Black-Scholes option pricing methodology. In particular we have had regard to the respective:
- (a) value of the underlying shares
 (b) level of exercise price
 (c) term of the options
 (d) prevailing interest rate
 (e) volatility of the underlying shares
 (f) amount and timing of dividends.
- 35 There are three main options whose values we have considered⁶:

Option	Exercise date	Exercise price	Exercisable into
NPH 2010	31/12/2010	\$1.30	One NPH share
MFG 2011	30/6/2011	\$1.30	One MFG share
MFG 2016	30/6/2016	\$3.00	One MFG share

⁶ As part of our consideration of the value of the MFG 2011 options we have also considered the traded MFG 2009 options, which expire on 30 June 2009 and are exercisable at \$1.20 per option into one MFG share plus one MFG 2011 option.

- 36 In assessing the value of the underlying shares, we have adopted values consistent with those adopted for NPH and MFG shares in this report. As noted above the listed NPH shares have traded at price levels which are not consistent with the MFG share price and a reasonable valuation of the other net assets owned by NPH. We have preferred values consistent with the MFG share price as this is more actively traded.
- 37 In considering the volatility assumptions, we have considered both the historical volatility (of the NPH and MFG shares as appropriate) and also the volatilities implied by the traded prices of the NPH and MFG options. However, implied volatilities have not been very useful because:
- (a) the quoted options are very thinly traded
 - (b) the NPH options currently trading (NPH 2007 options) are near expiry and deep-in-the-money, hence have little sensitivity to volatility
 - (c) the MFG 2009 options are currently trading at prices only slightly above intrinsic value⁷ (after considering the embedded MFG 2011 options).
- 38 In funds management businesses volatility of revenue from existing funds under management follows the market, but there is an inherent operational leverage due to the more stable nature of expenses which increases volatility. Volatility is also increased by the incidence of performance fees and the uncertainty about the level of future funds under management.
- 39 It is therefore difficult to be definitive as to the appropriate volatility assumption to use to value the NPH 2010 option, and the MFG 2011 and 2016 options. We have therefore adopted a relatively wide volatility range from 30% (the level of volatility associated with larger “similar” financial institutions) to 50% (approximately the level of volatility observed in the share prices of NPH and MFG over their short trading history).

Opinion and recommendation

- 40 We have assessed the value of the NPH 2010 options in the range of \$1.30 to \$1.82 per option⁸.
- 41 We have assessed the value of the MFG 2011 options in the range of \$0.57 to \$0.81 per option⁹.

⁷ For example at \$1.65 MFG share price, the MFG 2009 option would have \$0.45 direct intrinsic value plus a further \$0.35 intrinsic value in the embedded MFG 2011 option, for a total of \$0.80 intrinsic value, but are only trading at around \$0.90 per option.

⁸ The majority of the variation in the option value is associated with the variation in the underlying NPH share value (\$2.42 to \$2.86).

⁹ The MFG 2011 option value is lower than the MFG 2009 option value because there is no “piggy back” option for the MFG 2011 option.

- 42 The consideration for each NPH 2010 option comprises three MFG 2011 options. We have therefore assessed the value of the MFG option consideration in the range of \$1.71 to \$2.43 per option.
- 43 As the consideration offered by MFG (\$1.71 to \$2.43 per NPH option) is greater than our assessed value for the NPH options (\$1.30 to \$1.82 per option), when based on consistent assumptions as to volatility and the value of MFG shares, in our opinion the Offer is fair when assessed based on the guidelines set out in Regulatory Guide 111.
- 44 Pursuant to Regulatory Guide 111 an offer is reasonable if it is fair. Consequently, in our opinion, the Offer is fair and reasonable.
- 45 In providing a recommendation to NPH optionholders in relation to the Offer we have also considered whether it will be in the best interests of NPH optionholders to exercise their NPH 2010 options and accept the MFG offer for the NPH shares issued pursuant to the option exercise.
- 46 In order to do so we have valued the MFG 2016 option using consistent assumptions, and its \$3.00 exercise price, and assessed its value at between \$0.25 and \$0.61 per option. Accordingly, the value from exercising the NPH 2010 option and accepting the MFG offer for the NPH shares issued pursuant to the exercise of the option would be:

	Low	High
	\$	\$
Assessed value of consideration (refer paragraph 25)	3.20	3.52
Less option exercise price	(1.30)	(1.30)
Value of NPH 2010 option exercise into MFG share offer	<u>1.90</u>	<u>2.22</u>

- 47 In our view, the choice between accepting the MFG Option offer for the NPH 2010 options and exercising the NPH 2010 options in order to accept the MFG share offer is not clear.
- 48 The comparison is made more difficult because of uncertainty about the depth of trading in the option series (both MFG 2011 and 2016 options), which may cause these options to trade at values significantly different from their theoretical values. For example, recent trading in the MFG 2009 options has been below theoretical values, but has been at such a thin level of trading that it is not possible to form reliable views.
- 49 In essence, holders of NPH 2010 options have the choice of receiving:
- (a) 1.95 MFG shares and 0.33 MFG 2016 options, which would require a further cash investment of \$1.30 per option (our assessed value \$1.90 to \$2.22 per NPH option), or

(b) 3 MFG 2011 options (our assessed value \$1.71 to \$2.43 per NPH option).

50 Accordingly, while we recommend that NPH optionholders should accept the Offer via one of these methods, which alternative is most appropriate will vary between individual optionholders according to their circumstances and expectations.

Other matters

51 The impact of accepting the Offers on the tax position of NPH securityholders depends on the individual circumstances of each investor. Securityholders should consult their own professional advisers if in doubt as to the taxation consequences of the Offers.

52 The ultimate decision whether to accept the Offers should be based on each securityholder's assessment of their own circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If securityholders are in doubt about the action they should take in relation to the Offers or matters dealt with in this report, securityholders should seek independent professional advice. For our full opinion on the Offers, and the reasoning behind our opinion, we recommend that NPH securityholders read our full report which is available¹⁰ free of charge by contacting NPH on (03) 9256 8738 or (03) 8613 8888.

Yours faithfully



Wayne Lonergan
Authorised Representative



Martin Holt
Authorised Representative

¹⁰ Our full report will be available from 14 January 2008.

Appendix A

Financial Services Guide

Lonergan Edwards & Associates Limited

- 1 Lonergan Edwards & Associates Limited (ABN 53 095 445 560) (LEA) is a specialist valuation firm which provides valuation advice, valuation reports and Independent Expert's Reports in relation to takeovers and mergers, commercial litigation, tax and stamp duty matters, assessments of economic loss, commercial and regulatory disputes.
- 2 LEA holds Australian Financial Services Licence No 246532.

Financial Services Guide

- 3 The Corporations Act 2001 authorises LEA to provide this Financial Services Guide (FSG) in connection with its provision of an Independent Expert's Report (the Report) to accompany the Target's Statement to be sent to NPH securityholders in connection with the Offers.
- 4 This FSG is designed to assist retail clients in their use of any general financial product advice contained in the Report. This FSG contains information about LEA generally, the financial services we are licensed to provide, the remuneration we may receive in connection with the preparation of the Report, and if complaints against us ever arise how they will be dealt with.

Financial services we are licensed to provide

- 5 Our Australian financial services licence allows us to provide a broad range of services to retail and wholesale clients, including providing financial product advice in relation to various financial products such as securities, derivatives, interests in managed investment schemes, superannuation products, debentures, stocks and bonds.

General financial product advice

- 6 The Report contains only general financial product advice. It was prepared without taking into account your personal objectives, financial situation or needs.
- 7 You should consider your own objectives, financial situation and needs when assessing the suitability of the Report to your situation. You may wish to obtain personal financial product advice from the holder of an Australian Financial Services Licence to assist you in this assessment.

Appendix A

Fees, commissions and other benefits we may receive

- 8 LEA charges fees to produce reports, including this Report. These fees are negotiated and agreed with the entity who engages LEA to provide a report. Fees are charged on an hourly basis or as a fixed amount depending on the terms of the agreement with the person who engages us. In the preparation of this Report our fees are based on a time cost basis using agreed hourly rates.
- 9 Neither LEA nor its directors and officers receives any commissions or other benefits, except for the fees for services referred to above.
- 10 All of our employees receive a salary. Our employees are eligible for bonuses based on overall performance and the firms profitability and do not receive any commissions or other benefits arising directly from services provided to you. The remuneration paid to our directors reflects their individual contribution to the company and covers all aspects of performance. Our directors do not receive any commissions or other benefits arising directly from services provided to you.
- 11 We do not pay commissions or provide other benefits to other parties for referring prospective clients to us.

Complaints

- 12 If you have a complaint, please raise it with us first, using the contact details listed below. We will endeavour to satisfactorily resolve your complaint in a timely manner.
- 13 If we are not able to resolve your complaint to your satisfaction within 45 days of your written notification, you are entitled to have your matter referred to the Financial Industry Complaints Services (FICS), an external complaints resolution service. You will not be charged for using the FICS service.

Contact details

- 14 LEA can be contacted by sending a letter to the following address:

Level 27
363 George Street
Sydney NSW 2000
(or GPO Box 1640, Sydney NSW 2001)

Appendix B

Qualifications, declarations and consents

Qualifications

- 1 LEA is a licensed investment adviser under the Corporations Act. LEA's authorised representatives have extensive experience in the field of corporate finance, particularly in relation to the valuation of shares and businesses and in the preparation of Independent Expert's Reports to shareholders.
- 2 This report was prepared by Mr Wayne Lonergan and Mr Martin Holt who are each authorised representatives of LEA. Mr Lonergan and Mr Holt have over 30 years and 20 years experience respectively in the provision of valuation advice.

Declarations

- 3 This report has been prepared at the request of the Directors of NPH to be sent to NPH securityholders. It is not intended that this report should serve any purpose other than as an expression of our opinion as to whether or not the Offers are fair and reasonable to the securityholders of NPH.

Interests

- 4 At the date of this report, neither LEA, Mr Lonergan nor Mr Holt have any interest in the outcome of the Offers. LEA is entitled to receive a fee for the preparation of this report based on time expended at our standard hourly professional rates. With the exception of the above fee, LEA will not receive any other benefits, either directly or indirectly, for or in connection with the preparation of this report.

Limitations and reliance on information

- 5 Our opinion is based on economic, market and other conditions prevailing at the date of this report.
- 6 Our report is also based upon financial and other information provided by NPH and other publicly available information. We have considered and relied upon this information and believe that the information provided is reliable, complete and not misleading and we have no reason to believe that material facts have been withheld. The information provided was evaluated through analysis, enquiry and review for the purpose of forming an opinion as to whether the Offers are fair and reasonable. However, in assignments such as this, time is limited and we do not warrant that our enquiries have identified or verified all of the matters which an audit, extensive examination or "due diligence" investigation might disclose. None of these additional tasks have been undertaken.

Appendix B

- 7 We understand the accounting and other financial information that was provided to us has been prepared in accordance with the Australian equivalent to International Financial Reporting Standards (AIFRS).
- 8 An important part of the information base used in forming an opinion of the kind expressed in this report is the opinions and judgement of management. This type of information has also been evaluated through analysis, enquiry and review to the extent practical. However, it must be recognised that such information is not always capable of external verification or validation.
- 9 We in no way guarantee the achievability of the forecasts of future profits. Forecasts are inherently uncertain. They are predictions by management of future events which cannot be assured and are necessarily based on assumptions of future events, many of which are beyond the control of management. Actual results may vary significantly from forecasts.
- 10 We have assumed that these forecasts have been prepared fairly and honestly based on the information available to management at the time and within the practical constraints and limitations of such forecasts. We have assumed that the forecasts do not reflect any material bias. We have no reason to believe that these assumptions are inappropriate.

Indemnification

- 11 As a condition of LEA's agreement to prepare this report, NPH agrees to indemnify LEA in relation to any claim arising from or in connection with its reliance on information or documentation provided by or on behalf of NPH which is false or misleading or omits material particulars or arising from any failure to supply relevant documents or information.

Consents

- 12 LEA consents to the inclusion of this report in the form and context in which it is included in NPH's Target's Statement.

Appendix C

Glossary

AIFRS	Australian equivalent to International Financial Reporting Standards
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
DCF	Discounted cash flow
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
FICS	Financial Industry Complaints Services
FSG	Financial Services Guide
FY	Financial year
IER	Independent Expert's Report
LEA	Lonergan Edwards & Associates Limited
NPV	Net present value
Offer	MFG's Offer for NPH shares or NPH 2010 options (as the case may be), as set out in its Bidder's Statement lodged with ASIC on 20 December 2007
PE	Price earnings
VWAP	Volume weighted average price

APPENDIX B**ASX ANNOUNCEMENTS IN RELATION TO NPH SINCE 5 OCTOBER 2007**

	ASX Announcement	Date of Announcement
1.	Trading Halt	5 October 2007
2.	MFG: Intention to Make Takeover Bid for NPH	5 October 2007
3.	Announcement of takeover proposal from MFG	5 October 2007
4.	Announcement of takeover proposal by MFG	12 October 2007
5.	Change of Director's Interest Notice (Peter Montgomery)	15 October 2007
6.	Change of Director's Interest Notice (Norman Anderson)	15 October 2007
7.	Change of Director's Interest Notice (Alan Naylor)	15 October 2007
8.	Appendix 3B	15 October 2007
9.	Amended Appendix 3B	15 October 2007
10.	Letter to Shareholders by Chris Mackay	16 October 2007
11.	Appointment of KPMG as Corporate Advisors	17 October 2007
12.	Notice of Annual General Meeting/Proxy Form	19 October 2007
13.	Amended Change of Director's Interest Notice (Alan Naylor)	8 November 2007
14.	MFG Bidder's Statement – Takeover Offer for NPH	21 November 2007
15.	Initial Substantial Holder Notice from MFG	21 November 2007
16.	Directors' Statement re Takeover	22 November 2007
17.	Chairman's Address to Shareholders	22 November 2007
18.	Results of AGM	22 November 2007
19.	Letter to Optionholders	23 November 2007
20.	Sample Option Exercise Notice	23 November 2007
21.	MFG: Notice of Register Date	27 November 2007
22.	Directors' Statement re Takeover	5 December 2007
23.	MFG: Dispatch of Bidder's Statement from MFG	5 December 2007
24.	Trading Halt	10 December 2007
25.	NPH MFG Joint Announcement re MFG Takeover Offer	10 December 2007
26.	ASIC Consent to Withdraw Takeover Offers and Make New Offers	17 December 2007

	ASX Announcement	Date of Announcement
27.	Change of Director's Interest Notice (Peter Montgomery)	18 December 2007
28.	NPH Appendix 3B – Exercise of Dec 2007 Options	19 December 2007
29.	NPH Appendix 3B – Exercise of Dec 2007 Options	19 December 2007
30.	MFG: Bidder's Statement – Revised Takeover Offer for NPH	20 December 2007
31.	Notice of Substantial Holder from MFG	21 December 2007
32.	MFG: Notice of Register Date	21 December 2007
33.	NPH Appendix 3B – Exercise of Dec 2007 Options	21 December 2007
34.	Independent Expert's Opinion re MFG's Offer for NPH	21 December 2007
35.	MFG: Releases Independent Expert's Report	24 December 2007