

Treasury Group Ltd

10th July 2003

Australian Stock Exchange
Continuous Disclosure Area

Lodged via E-Lodgement

Please be advised that pursuant to the continuous disclosure requirements of ASX rule 3.1 Treasury Group Limited wishes to advise of the following:

The directors of Treasury Group are pleased to announce the establishment of a new funds management business, Confluence Asset Management Ltd, in partnership with Mr. Campbell Boag. The business will focus on the management of smaller companies listed on the Australian Stock Exchange. Under the terms of the arrangement Treasury Group Limited will acquire an investment stake of 35% in the business with Campbell and management owning the balance.

Mr. Boag has a long and distinguished track record in funds management in the Australian market. In his previous role, Campbell, as head of Smaller Companies at Rothschild Australia Asset Management, oversaw strong growth in funds under management over a 5 year period with solid investment performance and strong client support underpinning this growth. Previous roles included over 5 years at Mercantile Mutual (now ING), where Campbell was the founding manager of smaller company retail funds. Campbell has an excellent reputation and we are pleased to have reached agreement with an investment manager of this high calibre.

The business has already been substantially established and we expect Confluence Asset Management Ltd to be fully operational from early August. We anticipate that this partnership will prove to be a success both for Treasury Group and for investors and supporters of Confluence.

Campbell currently manages funds using a strong value and quality based approach. This methodology will continue with the Confluence team and will form the cornerstone of their investment philosophy and approach.

We remain committed to supporting fund managers develop their businesses, free of administration and business concerns allowing them the time to focus fully on investment matters. The growth of the business will be carefully managed and Treasury Group is supportive of closure to new business as and when required.

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