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**Monday, 5 November 2007**

**Financial Resources Limited – Panel Receives Application**

The Panel advises that it has received an application dated 2 November 2007 from Panga Pty Ltd (**Applicant**) in relation to the affairs of Financial Resources Limited (**Financial Resources**).

Financial Resources is currently under administration. A shareholders meeting has been convened for 7 November 2007 for the purpose of seeking approval to a restructure and recapitalisation proposal that, amongst other things would, if approved, result in Questus Capital Group Pty Ltd (**Questus**) increasing its voting power in Financial Resources to 48.8% (**Questus Proposal**).

The Applicant is a 2.45% shareholder in Financial Resources. The Applicant has also submitted to Financial Resources an alternative proposal to the Questus Proposal, which has previously been rejected by the creditors of Financial Resources and is not to be considered at the shareholder meeting.

Amongst other things, the Applicant alleges that unacceptable circumstances arise from issues including the failure to disclose relevant information, and errors of fact and law in the Explanatory Statement to the Notice of Meeting and in the Independent Expert's Report into the Questus Proposal (which concluded that proposal to be fair and reasonable).

The Applicant seeks a declaration of unacceptable circumstances, and orders preventing the meeting from being held on 7 November, and adjourning the meeting until:

- (a) a revised explanatory statement has been prepared and dispatched to shareholders; and
- (b) a revised independent expert's report has been prepared and sent to shareholders.

The Panel has not decided whether to conduct proceedings in relation to the application. It notes that it has not received submissions from other parties to the application and makes no comment on the merits of the application.

The President of the Panel is currently appointing a Panel to sit on the application.