

Diversify. Grow. Outperform.

VANTAGE PRIVATE EQUITY GROWTH LIMITED
INFORMATION MEMORANDUM | ACN 112 481 875



ENHANCED YIELD FUND MANAGER



CAPITAL PROTECTION OPTIONAL

IMPORTANT INFORMATION

We recommend that you read the entire Information Memorandum thoroughly and consult your Financial Adviser before investing.

This Information Memorandum dated 30 January 2006 has been prepared by Vantage Private Equity Growth Ltd (“the Company” or “VPEG”) to provide background information for Investors considering applying for Shares or Convertible Notes (together “Securities”) in the Company.

This Information Memorandum is supplied personally to the recipient on the following conditions, which conditions are expressly accepted and agreed to by the recipient, in part consideration of the supply of the Information Memorandum, as evidenced by the retention by the recipient of this Information Memorandum. A register will be maintained of each intended recipient of the Information Memorandum. If these conditions are not acceptable, the Information Memorandum is to be returned immediately.

Independent advice required. Prospective Investors are not to construe the contents of this Information Memorandum as tax, legal or investment advice. An investment in the Company may not be appropriate for all persons or entities, and it is not possible for the Company, its directors, officers, employees, advisers or representatives to have regard to the investment objectives, financial situation and particular needs of each person who reads or uses the information in this Information Memorandum. Prior to subscribing for an interest in the Company, an Investor should seek appropriate professional advice and should conduct his/her own independent investigation and analysis regarding any information contained in this Information Memorandum. A prospective Investor should rely on his or her own inquiries, in particular in obtaining his or her own legal, investment and tax advice in determining whether to invest in the Company.

Excluded Offer. The offer of Securities in the Company contained in this Information Memorandum is an offer of Securities made pursuant to section 708 of the Corporations Act which does not require disclosure to Investors under Part 6D.2 of the Corporations Act. The Company will accept applications only from Qualified Investors, which, for the purposes of the Corporations Act, includes Investors who provide a certificate from a qualified accountant given in the last six months to the effect that the Investor has net assets of at least \$2.5 million or had a gross income for each of the last two financial years of at least \$250,000 per year, Investors where the amount payable by the Investor on acceptance of the Offer is at least \$500,000, those Investors who control at least \$10 million and other Investors who satisfy a relevant category within section 708 of the Corporations Act.

The Company reserves the right to make offers of Securities in the Company to Investors other than professional Investors at any time. If so, the Company may be required to issue a Prospectus for the Offer pursuant to the Corporations Act.

Excluded from Scheme Registration. As all Securities issued in the Company will be exempt issues under Part 6D.2 of the Corporations Act, the Company is not required to be registered by ASIC under Section 601ED of the Corporations Act as a managed investment scheme. Accordingly, Chapter 5C of the Corporations Act does not apply to the Company.

No recommendation to invest. This Information Memorandum is provided to the recipient personally and is not a recommendation to invest in the Company.

Jurisdiction. This Information Memorandum does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction other than the Commonwealth of Australia or in circumstances in which such offer or solicitation is not authorised other than as set out in the separate international Disclosure statement. No recipient of this Information Memorandum in any jurisdiction other than the Commonwealth of Australia may treat it as constituting an invitation to them to apply for Securities in the Company nor should any recipients in any event use the Application Form attached to this Information Memorandum unless, in the relevant jurisdiction, such an invitation could lawfully be made to that recipient or the Application Form could lawfully be used in compliance with applicable law.

No warranty. Neither the Company nor the Manager nor any of their directors, officers, employees, advisers or representatives make any representation or warranty express or implied, as to the accuracy, reliability or completeness of the information contained in this Information Memorandum or any subsequent information provided to the recipient including but not limited to any projections, estimates, or any other historical information.

No guarantee. Neither the Company nor the Manager nor any of their directors, officers, employees, advisers or representatives guarantee the rate of return of any investment in the Company or the performance of the Investment Portfolio, nor do they guarantee repayment of capital in the Company. However for Investors seeking to protect their initial capital a Capital Protection Option exists as described in detail within the Information Memorandum.

Confidentiality. This Information Memorandum is being provided to prospective Investors in confidence in order that such prospective Investors may consider an investment in the Company. The information contained in this Information Memorandum is only to be used for this purpose and must not be reproduced or disclosed to others, other than for the purpose of obtaining professional advice in connection with the Offer or with the written consent of the Company.

Constituent documents. This Information Memorandum contains summaries of the material contracts, which the Company has or proposes to enter into. If there is any inconsistency between the terms of this Information Memorandum and the actual material contracts, the latter will prevail.

Data and statistics. Some of the economic and statistical data and other financial information contained in this Information Memorandum have been obtained from third party sources. Whilst these sources are believed by the Company to be reliable, neither the Manager or the Company assumes responsibility for this information nor do they have an obligation to update such information after the date of this Information Memorandum.

Applications. The Company reserves the right to evaluate any application and to reject any or all applications. The Company will be under no obligation to provide any reasons for a rejected application. An application is made at the sole risk of the applicant and the applicant agrees to bear the full costs or expenses incurred in reviewing the Information Memorandum or making the application.

Date of Information Memorandum	30 January 2006
Open Date	6 February 2006
Close Date	28 April 2006 (or sooner if fully subscribed)
Commencement Date	Within 10 business days of the close of the Offer

The Company reserves the right to close the Offer earlier than 28 April 2006 or extend the Closing Date of the Offer without notice. If the Closing Date is extended the subsequent dates detailed above will also change.

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OFFER AT A GLANCE

Name	Vantage Private Equity Growth Limited (VPEG & the Company)
Size	Up to \$50 million worth of Securities (Shares and/or Convertible Notes). The Company may accept over subscriptions prior to close
Structure	VPEG is a multi manager Private Equity investment company initially structured as an unlisted Australian public company (ACN 112 481 875)
Primary Investment Focus	Investments in professionally managed Private Equity funds focussed on investing in the Later Expansion and Buyout stages of Private Equity, predominantly in Australia with additional diversification into Europe
Historic Returns	The cumulative annualised Pooled Returns generated by Australian Private Equity funds focussed on the Later Expansion and Buyout financing stages for the 18 years to June 2005 was 24.6% ¹
Minimum Investment	\$100,000 of Securities for Qualified Investors or \$500,000 for those Investors who are not Qualified Investors
Closing Date of Offer	5pm AEST 28 April 2006 (or sooner if fully subscribed)
Investment Management Fee	1.5% per annum of the value of the Investment Portfolio of the Company
Term of Investment	Minimum anticipated term to be 3 years. The investment is likely to be illiquid over this period. The Company intends to list on the ASX after the third anniversary of the Commencement Date. The Company will look to facilitate a matchmaking facility for Investors seeking to exit their investment prior to Listing
Performance Fee	10% of any out-performance of the Net Investment Portfolio over a Hurdle Rate of Return of 15% per annum compounded across the first six years following the Commencement Date and then annually thereafter. No performance fee will be payable prior to the sixth anniversary of the Commencement Date. The process for the calculation and payment of the performance fees is detailed in Section 10 of this Information Memorandum
Investment Manager	Vantage Asset Management Pty Limited
Enhanced Yield Fund Manager	AMP Capital Investors
Capital Protection Provider*	UBS AG, Australia Branch
European Advisor	Robeco Alternative Investments (a Division of Rabobank)

¹ Australian Venture Capital Yearbook 2005

*Applicable to Investors selecting the Capital Protection Option

CHAIRMAN'S LETTER

30 January 2006

Dear Investor

It is with pleasure that I invite you to become an Investor in Vantage Private Equity Growth Limited (VPEG).

VPEG is an independent multi manager Private Equity Investment company whose primary objective is to provide Investors with the benefit of a well diversified Private Equity investment portfolio. VPEG will be focussed on investing in funds who invest in mature companies at the later expansion and buyout financing stages of Private Equity, predominantly in Australia with additional diversification into Europe.

Private Equity as an asset class has attracted a growing amount of interest from Investors over recent years as it continues to outperform traditional asset classes. During the 18 year period to June 2005, Australian Private Equity funds focussed on the later expansion and buyout financing stages delivered a cumulative annualised Pooled Return of 24.6% per annum, compared to a return on the ASX Accumulation 200 Index of 9.4% per annum over the same period.

VPEG offers Investors the opportunity to share in the returns of this asset class, while substantially removing the hurdles that have traditionally limited investor access to this rewarding asset class. Through its unique structure, focussed Investment Guidelines, systematic and rigorous fund manager selection criteria and its arrangements with highly experienced Private Equity investment management and advisory groups, VPEG is confident of delivering superior absolute returns to Investors.

VPEG also provides additional features to enhance the appeal of this investment opportunity, which include the option to protect your initial investment and enhanced liquidity by seeking to list on the ASX after three years.


VPEG is targeting* to deliver a pre tax post fees 20% per year return to shareholders over the medium term. For Investors selecting the Capital Protection Option the targeted return is 15% per year over the medium term.

The Board, which consists of a majority of Non Executive Directors, along with the executives of the Investment Manager and the European Advisor will provide a strong and experienced team to manage the Company towards its objectives.

I encourage you to read this Information Memorandum and submit your application form as soon as possible. If you have any questions about the Offer please contact your financial advisor before making any investment decision.

We look forward to welcoming you as an Investor in Vantage Private Equity Growth Limited.

Yours Sincerely



Roderick H McGeoch AM
Chairman
Vantage Private Equity Growth Limited

* This targeted rate of return is not a forecast return but an indication of the level of return that the Company will seek to achieve from its investments. There are a number of factors, including market fluctuations, which may lead to such a rate not being achieved.

SECTION ONE

INVESTMENT HIGHLIGHTS

Investment in a Consistently High Returning Asset Class

Private Equity has consistently outperformed most traditional asset classes. The Pooled Return for Private Equity investments focussed on the Later Expansion and Buyout financing stages for the 18 years to June 2005 was 24.6% per annum, compared to an accumulation return on the ASX Accumulation 200 Index over the corresponding period of 9.4% per year.

Increased Portfolio Efficiency

Due to Private Equity's relatively low correlation with traditional asset classes and superior long term performance, adding Private Equity to a portfolio of listed stocks and bonds improves the efficiency of that portfolio allowing higher targeted returns for the same level of calculated risk.

Superior Targeted Returns*

VPEG is targeting a pre tax post fees return of 20% per annum on its Shares over the medium term.

Focussed Investment Strategy

VPEG will only invest in funds targeting the Later Expansion and Buyout financing stages of Private Equity that have consistently delivered strong returns to Investors.

Access to Previously Inaccessible Funds

Within three years VPEG intends to have invested across 8 to 12 Private Equity funds managed by top performing Australian and European Private Equity fund managers that are generally inaccessible to private Investors.

* This targeted rate of return is not a forecast return but an indication of the level of return that the Company will seek to achieve from its investments. There are a number of factors, including market fluctuations, which may lead to such a rate not being achieved.

Strong and Experienced Board and Management

VPEG's highly qualified and experienced investment management team is complemented by a Board consisting of a majority of independent directors with substantial business, finance and Private Equity investment management expertise.

A Well Diversified Private Equity Investment

VPEG's clearly defined Investment Guidelines will provide a high level of diversification by strategically allocating its Private Equity Commitments and investments across fund managers, financing stages, industries, geographic regions and Vintage Years.

Potential to Exit After Year Three

VPEG intends to list its Shares on the ASX following the third anniversary of the Commencement Date. This enhanced liquidity structure offers you the ability to benefit from both the realised and unrealised gains on investments made by the Company at any time from year three onwards.

Capital Protection Optional

Should you choose to protect your investment in the Company, the risk of loss of your initial investment across the first ten years is diminished. This allows you the ability to participate in the additional returns available from Private Equity while significantly reducing the risk attached with your investment.

Tax Effective Structure

VPEG will initially be structured as an Australian unlisted public company and then from year 3, following listing, it will seek to operate as a listed investment company (LIC) for tax purposes. This offers tax advantages to Shareholders with the net income of the Company taxed at 30% and the majority of the resulting franking credits passed on to Shareholders. Additionally certain Shareholders may benefit from the discount capital gains tax concessions that may be available from the Company's LIC status.

SECTION TWO

OFFER SUMMARY

INVESTMENT OBJECTIVE

The Company's investment objective is to provide medium to long-term returns that are superior to those provided by traditional asset classes. It will provide Investors with the benefits of a well diversified Private Equity exposure. The Company expects to make Commitments and investments in up to 12 Private Equity funds within 3 years from the Commencement Date.

OFFER DETAILS

The Company is seeking to raise up to \$50,000,000. The Company reserves the right to accept over subscriptions prior to close.

The Offer will close at 5pm AEST on 28 April 2006, however it may be closed sooner if fully subscribed. The Company may extend the Offer period at any time up to a maximum of twelve months from the date of this Information Memorandum.

Applicants can subscribe for Shares or Convertible Notes (or a combination of both). Shares will be issued at \$1.00 per Share and Convertible Notes will be issued at \$1,000.00 per Convertible Note.

Applicants who subscribe for Shares prior to the close of the Offer will receive 1 free Option (Share Subscriber Option) for every 4 Shares applied for. Each Share Subscriber Option will entitle the holder to subscribe for 1 Share at an exercise price of \$1.50 at any time between 4 and 7 years following the Commencement Date.

The Company has the right not to proceed with the Offer at any time. If the Company does not proceed with the Offer then all subscription monies will be refunded to Applicants with interest payable at a rate of 4.5% per annum.

The Offer is not underwritten.

MINIMUM SUBSCRIPTION

The minimum aggregate subscription for the Offer is Securities to a value of \$25,000,000. If this minimum subscription is not achieved, the Company will not proceed with the Offer and all subscription monies will be refunded to applicants with interest.

The minimum aggregate subscription of Convertible Notes is \$10,000,000, provided that the total aggregate value of Securities subscribed for is equal to or more than \$25,000,000.

MINIMUM INVESTMENT

The minimum investment in the Company is \$100,000 provided the Investor is a Qualified Investor, in accordance with Section 708 of The Corporations Act, otherwise the minimum investment is \$500,000 per applicant.

MINIMUM HOLDING OF CONVERTIBLE NOTES

- Applicable only to investors selecting the Capital Protection Option

For Investors selecting the Capital Protection Option, the minimum holding of Convertible Notes is at least \$50,000 per Investor (subject to compliance with the minimum aggregate holdings of Securities above). For example if you are a Qualified Investor and decide to subscribe for \$100,000 worth of Securities in the Company split between Convertible Notes and Shares, you would apply for a minimum of \$50,000 worth of Convertible Notes and \$50,000 worth of Shares.

RIGHTS ATTACHING TO SHARES

The Shares will be fully paid ordinary Shares and rank equally with all existing Shares then on issue. The specific rights attaching to the Shares will be as set out in the Constitution, a summary of which is set out in Section 10 of this Information Memorandum. These rights include:

1. to receive notice of, attend and vote at any meeting of Shareholders of the Company and to receive all notices and other documents required to be sent to Shareholders under the Company's Constitution or the Corporations Act;
2. to transfer the Shares, subject to the Company's Constitution and the Corporations Act;
3. to participate equally in the distribution of the assets of the Company on its winding up in proportion to the amount of capital paid up; and
4. to cast a vote in any meeting of Shareholders.

RIGHTS ATTACHING TO SHARE SUBSCRIBER OPTIONS

Share Subscriber Options entitle the holder to subscribe for Shares on the basis of 1 Share for each Share Subscriber Option, at any time from the date that is 4 years following the Commencement Date up to 5.00pm Sydney time on the date that is 7 years following the Commencement Date. The exercise price of each Share Subscriber Option is \$1.50.

Share Subscriber Options:

- do not entitle the holder to dividends or to attend or vote at meetings of the Company; and
- do not entitle the holder to participate in any new issues of Shares, Options or other Securities, without first exercising the Share Subscriber Options.

Shares issued on exercise of Share Subscriber Options rank equally with other issued Shares of the Company 7 business days after their date of issue and will be entitled to dividends paid on and from this date.

RIGHTS ATTACHING TO CONVERTIBLE NOTES

The Convertible Notes will be redeemable in 10 years, with capital protection provided in accordance with the Capital Protection Agreement between the Company and UBS AG, Australia Branch, details of which are set out in Section 5. A 2% Coupon will be payable by the Company annually in arrears on the Convertible Notes. The Convertible Notes will not have any voting rights.

Each Convertible Note will be convertible into Shares each quarter following the First Conversion Date in accordance with the process for quarterly conversion detailed in Section 5.

Shares issued upon conversion of the Convertible Notes will rank equally with the other Shares then on issue and will carry the same voting rights.

Any outstanding Convertible Notes will be automatically redeemed on the tenth anniversary of the issue date. Upon redemption the Company shall pay the Protection Amount of the Convertible Notes being redeemed to the Convertible Noteholders registered as at the Protection Effective Date. The minimum holding of Convertible Notes is \$50,000 and the Company may mandatorily convert into Shares the balance of a holding of less than this amount.

A Security and Convertible Note trust deed will be entered into with an independent trustee to represent Convertible Noteholders interests as detailed in Section 10 of this Information Memorandum.

ASX LISTING

The Company intends to apply to the ASX after the date which is 3 years from the Commencement Date for the Shares to be listed for quotation on the ASX. The Company does not intend to have the Convertible Notes or any Options listed for quotation.

At listing, the Company will seek to satisfy the criteria to be considered a listed investment company (LIC) for tax purposes. As a result, certain Shareholders may benefit from the discount capital gains tax concessions that may be available on distributed capital gains of eligible investments of the Company.

MATCHMAKING FACILITY

In order to improve liquidity up until Listing, the Company will facilitate a matching service between holders of Securities seeking to sell their Securities in the Company from Commencement Date through to Listing.

MANAGEMENT OF THE PORTFOLIO

The Company's Investment Portfolio will be managed by Vantage Asset Management Pty Limited (the Manager). The Manager holds Australian Financial Services Licence (AFSL) number 279186. Section 6 provides further details about the investment management of the Company.

MANAGER'S FEES

The Manager will be entitled to receive an investment management fee of 1.5% per annum (plus any applicable GST) of the value of the Investment Portfolio of the Company, calculated and payable monthly in arrears.

The Manager will also be entitled to a Performance Fee of 10% (plus any applicable GST) of any out-performance of the Company's Net Investment Portfolio over a 15% per annum Hurdle Rate of Return. The performance fee calculation will also take into account any distributions made to shareholders during the relevant Calculation Period.

The Performance Fee is first calculated on the sixth anniversary of the Commencement Date for the first six year period (First Calculation Period) and then on the 31st of December of each year thereafter for each subsequent Calculation Period. Any under performance from a previous Calculation Period must be made up for before any new Performance Fee can be paid.

A summary of the Investment Management Agreement is set out in Section 10.

EXPENSES

The Company must also meet the various fees, costs and expenses properly incurred in connection with the investment and management of the Company and its Investment Portfolio.

OTHER FEES

The Company will pay sales agents, brokers and financial advisers a once-only adviser referral fee of 3% (excluding GST) of referred investor's Application Amounts.

Starting in the second year after the Commencement Date and culminating at the sooner of Listing of the Company or the end of the third year from the Commencement Date, the Company will pay quarterly in arrears a trailing adviser fee of 0.5% per annum of the Application Amounts attributable to sales agents, brokers and financial advisers, where applicable, for the Shares and/or Convertible Notes applied for by their referred Investors.

RISK FACTORS

An investment in the Company is speculative and involves a number of risks. While the Manager intends to use prudent management techniques aimed to minimise the risks to Investors, no assurances can be given by the Company as to the success or otherwise of its business. Please refer to the risk factors detailed in Section 7 before applying for any Securities in the Company.

HOW TO APPLY FOR SECURITIES

Detailed instructions on completing the Application Form can be found at the end of this Information Memorandum.

Applications must be received by 5pm AEST on 28th April 2006. Early lodgement of Applications is recommended as the Offer may be closed early.

“ Private Equity has consistently outperformed most traditional asset classes. The Pooled Return for Australian Private Equity funds focussed on the Later Expansion and Buyout financing stages for the 18 years to June 2005 was 24.6% per annum. ”

SECTION THREE

PRIVATE EQUITY

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SECTION THREE

PRIVATE EQUITY

Private Equity provides equity capital to enterprises generally not quoted on a stock market. Private Equity can be used to develop new products and technologies, to expand working capital, to make acquisitions, or to strengthen a company's balance sheet. Private Equity can also be used to fund a transfer of ownership of family-owned companies or to fund the Buyout or Buy-In of a business by experienced managers.

PRIVATE EQUITY FINANCING STAGES

Private Equity investments can be made at various stages in the development or life of a private enterprise, with the following financing stages being the most common forms of Private Equity:

Venture Capital: Venture Capital covers investments in companies with emerging businesses and developing products or revenues. Venture Capital includes Seed, Start Up and Early Expansion stage investments. Seed stage investments involve providing capital to develop a product or idea to the prototype stage. Start Up stage investments provide funding for product development and initial marketing, manufacturing and sales activities. Early Expansion stage investments are those in enterprises, unprofitable through to breakeven, seeking to expand rapidly by, for example, increasing production capacity and building sales volume.

These early stage Private Equity opportunities typically involve higher risk than later stage opportunities. The Company's Investment Guidelines restrict it from investing in funds targeting Venture Capital opportunities.

Later Expansion: Later Expansion stage investments are those where equity finance is provided for growth and expansion to companies which are trading profitably. Capital may be used to finance increased production capacity, additional market or product development, and/or to provide additional working capital.

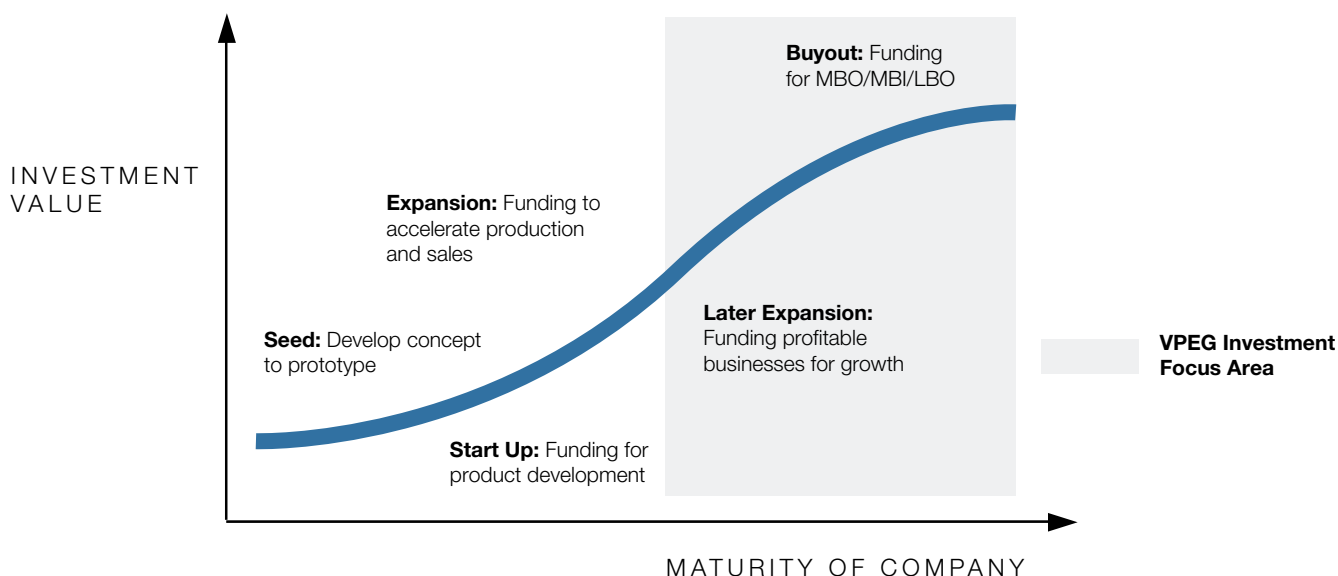
Buyout: Buyout stage investments are those in which a significant portion or controlling stake of a business, business unit or company is acquired from the current Shareholders (the vendor). Buyout investments are usually made in more mature companies with established profitable businesses. Buyouts also include the purchase and taking private of listed companies.

MBO: A Management Buyout (MBO) is when a company's management team acquires an existing product line or business from the vendor with the support of Private Equity Investors.

MBI: A Management Buy-In (MBI) is when an experienced external management team acquires a business from a vendor.

LBO: A Leveraged Buyout (LBO) is when an acquisition is funded through a particularly high level of debt, much of which is normally secured against the company's assets.

The Company intends to build a portfolio of investments in underlying funds that target a majority of their investment funding into Later Expansion and Buyout investments.



WHY INVEST IN PRIVATE EQUITY?

Long Term Out-performance

Private Equity investing is typically a transformational, value added active investment strategy. Top performing Private Equity managers possess specialised skills to select companies with significant growth potential and then to actively create conditions for growth within these companies.

This focus on growth (especially in a low inflation environment) has contributed to the out-performance of Private Equity over publicly listed equities in recent years. This has been the case in the US for over 20 years and in Europe and Australia for over 10 years.

In Australia the cumulative annualised Pooled Returns for Private Equity investments focussed on the Later Expansion and Buyout stages for the 18 years to June 2005 was 24.6%, compared to an accumulation return on the ASX 200 Accumulation Index over the corresponding period of 9.4% per annum.

Furthermore Private Equity funds focussed on the Later Expansion and Buyout stages have also out performed, on an annual basis, the return on the ASX 200 Accumulation Index over the medium to long term time horizon's as demonstrated in the table below.

Improved Risk / Reward For Your Investment Portfolio

Diversifying into assets with a low correlation to existing portfolio assets improves the risk / return relationship of that portfolio. Global research indicates a relatively low correlation of returns exists between Private Equity and other traditional asset classes such as public equities and bonds.

As a result, the introduction of Private Equity to a balanced portfolio not only provides diversification but can also improve the efficiency of the portfolio. In other words portfolios have the potential to generate a higher return per unit of risk, when they include Private Equity investments which have a relatively low correlation to other portfolio investments.

The chart (right) showing two efficient frontiers illustrates that the inclusion of Private Equity moves the risk/return curve for a standard balanced portfolio up and to the left – the direction

Correlation of Private Equity With Other Asset Classes

	Equity Markets (%)		Bonds (%)	
	Long Term	Short Term	Long Term	Short Term
Annual ¹	0.57 to 0.59	0.49 to 0.58	-0.18 to 0.12	-0.37 to -0.07
Quarterly ²	0.58 to 0.59	0.58 to 0.61	0.00 to -0.11	-0.22 to 0.03

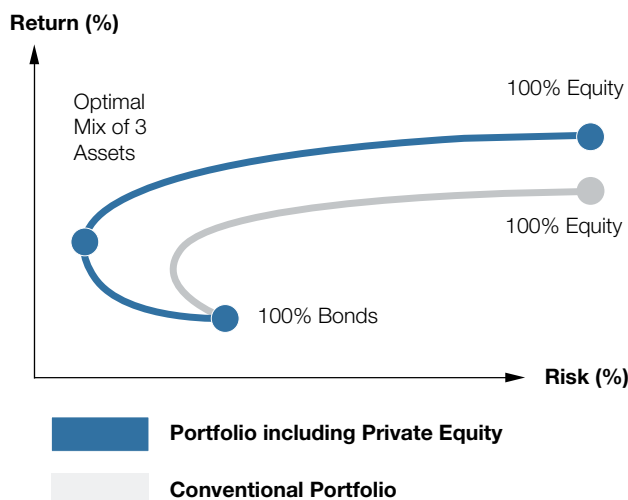
¹ Long term horizon 30 years, short term horizon 19 years. Correlation ranges for large and small cap stocks; Treasury bills and bonds and corporate bonds.

² Long term horizon 24 years, short term horizon 16 years. Correlation ranges for large and small cap stocks; Treasury bills and bonds and corporate bonds.

Source: Venture Economics, Investment Benchmarks Report Venture Capital (2002 Edition)

all Investors should seek, to obtain the maximum level of return for a given level of risk. This is primarily due to the relatively low correlation of Private Equity to other traditional assets.

Investing in Private Equity therefore offers Investors the opportunity to generate higher absolute returns from their portfolio while also improving portfolio diversification.



Source: EVCA Investor Relations Committee Paper, 2004

Australian Private Equity Horizon IRR's vs S&P / ASX Accumulation Index as at 30 June 2005

Asset Class	1yr	3yr	5yr	18yr*
Australian Private Equity (Buyouts, Later Stage, Generalists)	19.2%	37.8%	24.6%	24.6%
S&P / ASX Accumulation Index	26.4%	14.7%	9.4%	9.4%

Source: Australian Venture Capital Yearbook 2005, Bloomberg, Reserve Bank of Australia

* Period since the collection of Australian Private Equity returns data commenced

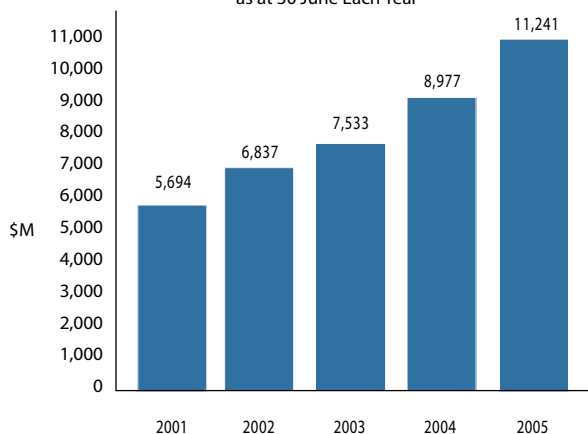
AUSTRALIAN PRIVATE EQUITY MARKET

Australia's Private Equity market has grown significantly over the last ten years. This growth has been driven by:

- a growing institutional and public awareness of the level of returns earned by Investors in Private Equity in Australia;
- a growing appetite by institutional Investors for Australian Private Equity as an attractive alternate asset class;
- the trend toward MBO / MBI / LBO as the means for transitioning ownership of private companies;
- legislative changes including CGT discounting and other tax breaks making Private Equity investing more attractive for certain Investors; and
- increasing demand by private companies for alternate sources of funding for growth.

As a result total Commitments by Investors to professionally managed Private Equity funds in Australia have grown on average by 19% per year since 2001 to a total of \$11.2bln as of June 2005.

Total Commitments by Investors to Australian Private Equity as at 30 June Each Year



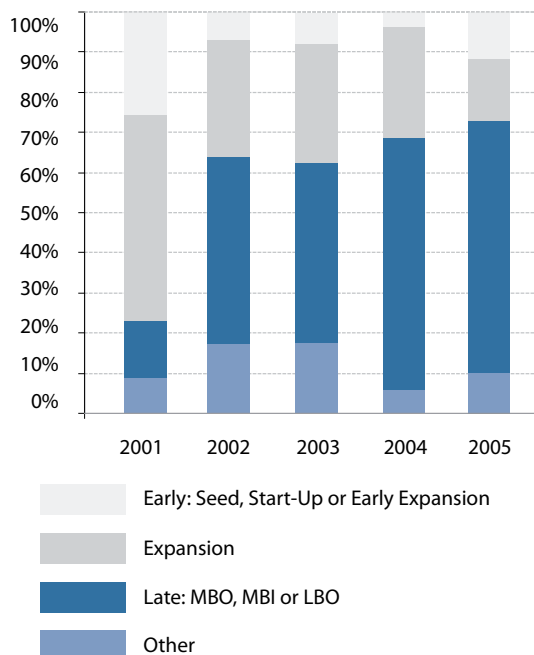
Source: Australian Bureau of Statistics Document No. 5678.0, 2004-05

During that time the number of Private Equity funds or direct investment vehicles also increased from 150 to 210. Approximately 140 Private Equity fund managers are now based and operate within Australia.

Breakdown Of Investment By Financing Stage

The breakdown of investment by financing stage indicates that there has been a strong trend towards investments in more mature businesses over the past five years. This is likely to have been driven by the scale of losses incurred by many Investors undertaking Venture Capital investments into early stage companies during the "dotcom" era of the late 1990's, as well as the demand from more mature businesses for alternate funding sources.

Contribution by Financing Stage to Total Investments Each Year



Source: Avcal Yearbook 2005

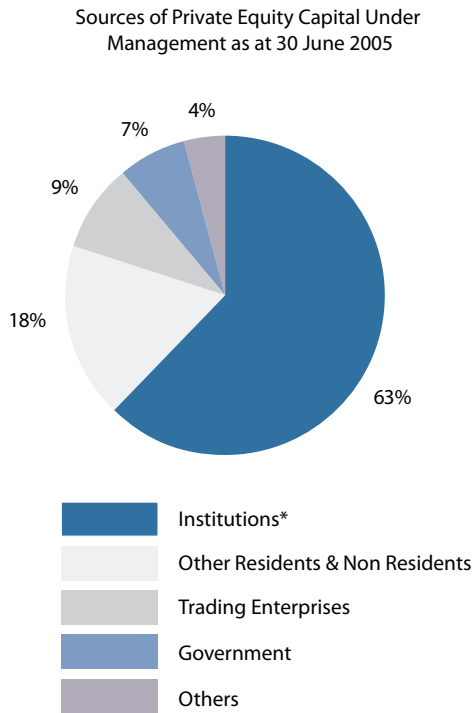
The graph above indicates the shift in the focus of Australian Private Equity managers, from investing in Seed, Start Up and Early Expansion stage investments to investing in a larger proportion of Later Expansion and Buyout investments. The value of investments in late stage and MBO / MBI / LBO opportunities, as a proportion of total Private Equity investments made each year, grew from 14% in 2001 to 63% in 2005. During the same period investments in Seed, Start Up and Early Expansion companies decreased from 52% to 16% of total investments by 2005.

The growth of Private Equity funds under management in Australia and the shift toward investing in more mature businesses has led to an increase in the number and quality of Private Equity fund managers based in Australia. This has also created a greater depth of experience across the industry and produced a larger spread of investment strategies pursued by these managers, especially in the Later Expansion and Buyout stages of the market.

This broadening of expertise to the more mature stage investments allows multi manager Private Equity Investors such as VPEG the opportunity to create a highly diversified Private Equity portfolio of funds managed by the top performing management groups investing across the mature financing stages, without having to allocate to the more risky (Venture Capital) financing stages.

Sources Of Capital Under Management

Institutions, comprising superannuation and pension funds, banks and insurance companies, have traditionally dominated investment in Australian Private Equity. As at June 2005 Commitments from this group accounted for 62% of the total Commitments to managed Private Equity in Australia. Superannuation and pension funds contributed 45% of the total Commitments on their own.



* Institutions include superannuation and pension funds, banks and insurance companies

Source: Australian Bureau of Statistics Document No. 5678.0 2004-05

The key reasons for the dominance of institutions in investing directly into Private Equity funds include:

- an ability to allocate significant amounts to Private Equity to meet the substantial minimum investments required (often \$5M) in order to invest in a top performing fund;
- the capability to commit to Private Equity on an ongoing (yearly) basis to achieve diversification across Private Equity fund managers and Vintage Years;
- an acceptance of the illiquidity and 10 year lock-in period that traditionally occurs with Private Equity investing; and
- the need to employ full time and experienced Private Equity staff or asset consultants, to gain access to and carry out manager selection, due diligence, negotiations, investments, monitoring, reporting and exit management.

These factors have also prevented other (non large institutional) investors from participating in the asset class.

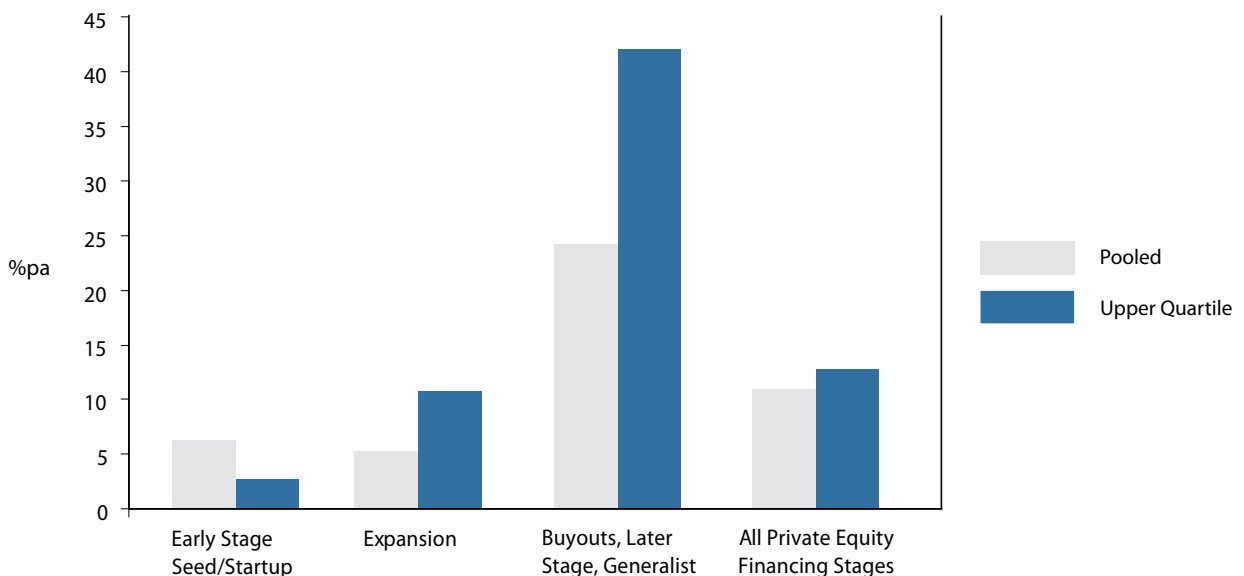
VPEG now offers Investors, including smaller to mid size institutions and sophisticated Investors, a unique opportunity to participate in the strong returns generated from this asset class.

Attractive Historic Returns

As previously noted, Australian Private Equity funds focussed on investing in the Later Expansion and Buyout stages generated a cumulative annualised Pooled Return of 24.6% which was 15.2% per annum above the ASX 200 Accumulation Index for the 18 year period to June 2005.

Furthermore recent data confirms that within the asset class, Later Expansion and Buyout stage focussed funds have produced superior returns over every other financing stage of Australian Private Equity over the past eighteen years.

Australian Private Equity Benchmarks Cumulative Annualised IRR since Inception Vintage Years 1987 to 2005 as at 30 June 2005



Source: Australian Venture Capital Yearbook 2005

As can be seen in the previous graph, investing in early stage, Venture Capital investments has historically depressed the average returns across all Private Equity financing stages.

The following table further demonstrates the strength of returns that have been achieved from some of the recent successful investment exits completed by Australian based Private Equity funds focussed on the Later Expansion and Buyout stages.

Exit Date	Portfolio Company	Original deal type	Value on Exit	Reported IRR
Oct 03	JB Hi Fi	Buyout	211m	72%
Nov 03	Repco	Buyout	520m	145%
Dec 03	Village Life	Later Exp.	137m	171%
Apr 04	Pacific Brands	Buyout	1,724m	140%
May 04	B&D Doors	Buyout	255m	76%
May 04	Just Group	Buyout	573m	157%
Apr 05	Affinity Health	Buyout	1,430m	130%
Aug 05	Bradken	Buyout	360m	49%

Source: Private Equity Media

These strong individual investment returns have flowed through to the fund level as demonstrated by the strong Horizon IRR's reported earlier.

By only investing in funds that focus on the Later Expansion and Buyout financing stages, that have delivered the strongest returns across the short, medium and long term time frames, VPEG anticipates that it will achieve a higher than average absolute return from its Private Equity investments.

Market Outlook

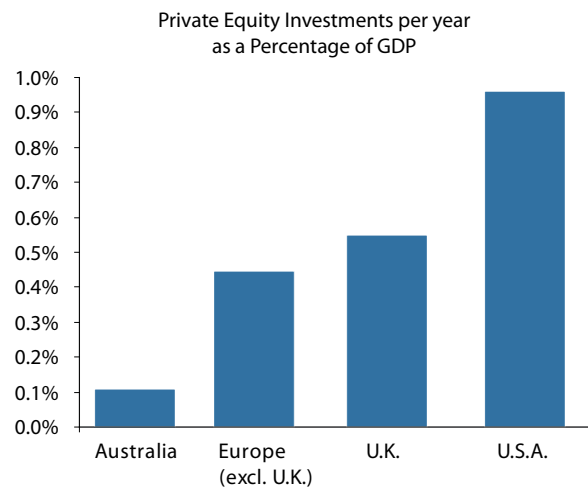
While the majority of Australia's GDP is generated by private companies, the Private Equity market in Australia has significantly less funds under management than the publicly listed markets.

As a result there is still plenty of opportunity for growth in the asset class and a much greater depth of assets from which to select. The fact that Australian Private Equity fund investment per year remains a much smaller proportion of GDP than in the US or UK highlights the opportunity for the growth in Private Equity investing in Australia.

There is a significant expectation that the Australian Private Equity market will continue to perform strongly over the next decade. There are a number of key drivers that are leading this sentiment including:

- continuing strong consumer confidence;
- strong economic and business conditions;
- availability of debt finance for leveraging investments; and

- an increased understanding and acceptance of the benefits of Private Equity financing by privately owned companies.



Source: ABS 5678.0, 2004-05, EVCA, Thomson Venture Economics, Australian Dept. of Foreign Affairs and Trade

Note: Australian data for Financial Year 2004-05, Europe, UK and USA Data for Calendar Year 2004

VPEG will be well positioned to capitalise on this expected growth across its target investment areas of the Private Equity market.

EUROPEAN DIVERSIFICATION

VPEG intends to invest in experienced, proven and predominantly Australian based, Private Equity funds focussed on investing in Later Expansion and Buyout financing stage opportunities. However, given that the Company is looking to also create diversification across Vintage Years, there may be some years where opportunities to commit to Australian based funds that meet the Company's investment criteria do not exist.

In order to maintain the integrity of the Company's fund manager selection criteria and its focus on investing in the Later Expansion and Buyout financing stages, the Company will look to commit up to a maximum of 30% of its Private Equity Allocation to experienced and proven European based Private Equity funds.

This will also provide an additional level of diversification that previously had not been available to Australian Private Equity Investors.

An experienced European advisor, Robeco Alternative Investments, a division of Rabobank, has been selected to assist the Investment Manager and the Company in gaining access to and investing in European Private Equity funds managed by experienced and proven European Private Equity fund managers. Further details about Robeco can be found in Section 6.

EUROPEAN PRIVATE EQUITY MARKET

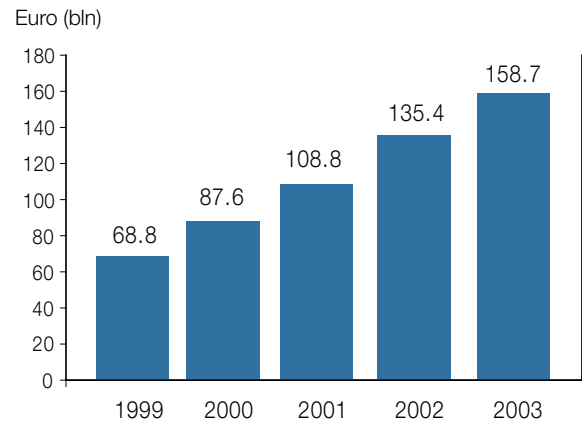
In line with global trends, the European Private Equity market has experienced strong growth over recent years and is attracting increasing attention from both European and international Investors. The reasons for this include:

- the unification and integration of the European Union (EU) and the subsequent reduction in trade barriers between EU members, which has substantially increased the size of the market into which EU based companies can sell their products and services;
- the introduction of the common currency across the EU in 2002 which reduced the currency risk that had previously existed for Investors;
- the recent Expansion of the EU in May 2004 to include the Eastern European and Mediterranean countries, which has opened up additional trading and market opportunities for EU based companies; and
- consistently strong returns from European Private Equity compared with traditional asset classes.

As a result total Commitments by Investors to professionally managed Private Equity funds in Europe have grown on average by 23% per year, since 1999, to almost Euro 160 bln as at December 2003. A further Euro 27.5 bln was raised by European Private Equity funds in 2004 which was consistent with the fund raising levels of 2003 and 2002.

There are approximately 870 Private Equity fund management firms now operating across Europe managing more than 1400 Private Equity funds or direct investment vehicles.

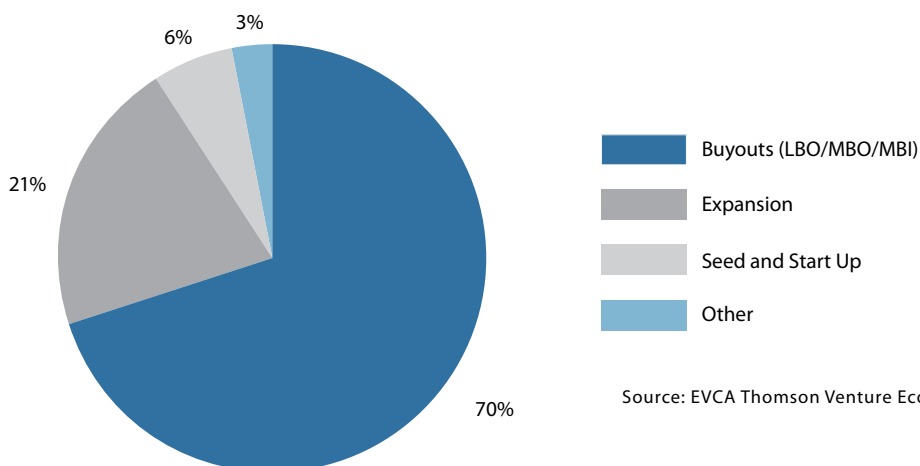
Total Commitments by Investors to European Private Equity as at 31 Dec Each Year



Source: Thomson Venture Economics VentureXpert database
Breakdown Of Investment By Financing Stage

A total of Euro 36.9 bln was invested across 10,375 companies by European Private Equity funds in 2004. A review of the breakdown of these investments by financing stage reveals that, like Australia, a significant majority (91%) of these investments were made into Expansion and Buyout opportunities.

Contribution by Financing Stage to Total European Private Equity Investments in 2004



Source: EVCA Thomson Venture Economics

Attractive Historic Returns

The Buyout financing stage in Europe has historically outperformed funds focussed on investing in opportunities in the Early and Expansion stages. In Europe the Upper Quartile cumulative annualised return for Private Equity funds focussed on the Buyout financing stage for the 24 years to December 2004 was 16.5%. Furthermore the Pooled Return for the Top Quartile returning Buyout funds over the same period was 28.7%.

With its European allocation, VPEG will only invest in European fund opportunities that focus on investing in the later Expansion and Buyout financing stages and whose managers have in the past demonstrated Top Quartile returns. VPEG is confident that this strategy will deliver strong absolute returns from its European investments.

European Private Equity Market Outlook

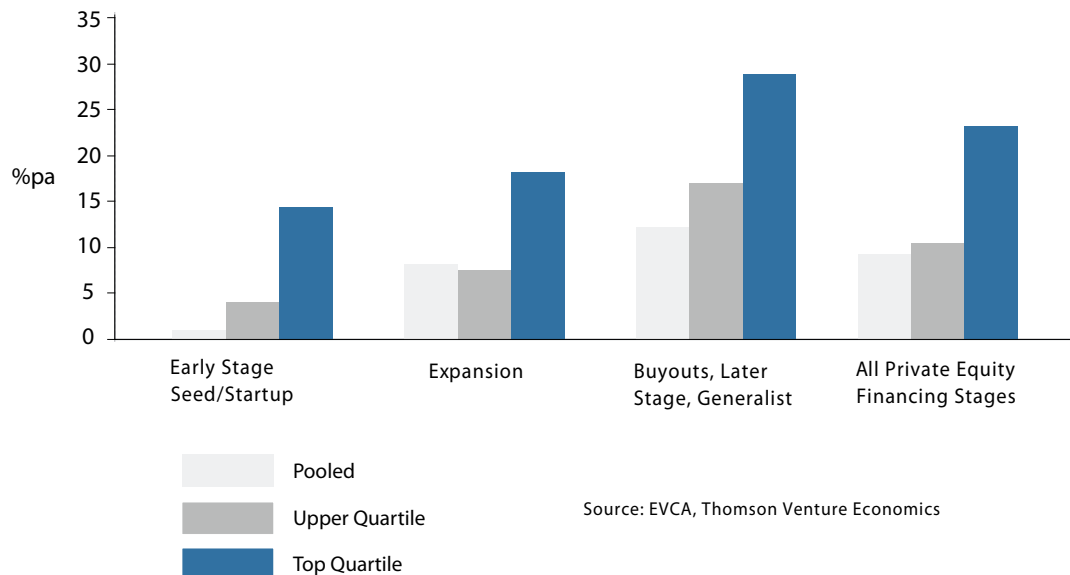
As previously demonstrated, Europe (excl. UK) Private Equity fund investment in 2004 represented a smaller proportion of GDP (0.47%) than in the UK (0.56%) or the USA (0.97%), highlighting the opportunity for growth in Private Equity investing in continental Europe.

VPEG expects that the European Private Equity market and in particular the Buyout segment of that market, will continue on its path of strong growth sustained by, among other factors, the following market trends:

- an increasing number and value of privatisations as EU Governments seek to raise cash to keep their budget deficits within the limits agreed with the European Union;
- an increasing number of divestitures by large corporate conglomerates seeking to focus on their core businesses due to the internationalisation of trade aided by the introduction of the common Euro currency; and
- a growing acceptance by European sellers of Private Equity fund buyers as the Private Equity culture spreads from the UK to the rest of Europe creating opportunities for Private Equity buyers in deals from which they would previously have been excluded.

VPEG, through its arrangements with the Manager and European Advisor is well positioned to invest in European Private Equity funds that will most benefit from these factors.

European Private Equity Fund Performance Cumulative Annualised IRR Since Inception Vintage Years 1980 to 2004 as at Dec 2004



Source: EVCA, Thomson Venture Economics



“VPEG will only invest in funds targeting the Later Expansion and Buyout financing stages of Private Equity that have consistently delivered strong returns to Investors.”

SECTION FOUR

INVESTMENT STRATEGY

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SECTION FOUR

INVESTMENT STRATEGY

INVESTMENT OBJECTIVE

The Company's investment objective for its Net Investment Portfolio is to achieve attractive medium to long-term returns on Private Equity investments while keeping the volatility of the overall investment portfolio low. This will be achieved by investing across a highly diversified portfolio of Private Equity assets with diversification obtained by allocating across manager, geographic region, financing stage, industry sector and Vintage Year.

The Company expects to fully commit its Private Equity Allocation within 36 months from Commencement Date. The long-term allocation of the Company's investment is intended to be approximately 90% to Private Equity and 10% to fixed income securities and cash.

INVESTMENT STRATEGY OVERVIEW

The Company's investment strategy (Investment Strategy) will evolve as follows:

- from the Commencement Date the Company will invest a portion of its Net Investment Portfolio into an Enhanced Yield fund managed by AMP Capital Investors. The objective of this fund is to provide high income and capital stability without sacrificing liquidity;
 - commencing at the same time, Commitments will be made to a selection of Private Equity funds, or interests in existing Private Equity funds, which meet the investment criteria will be acquired, in order to build the Company's exposure to Private Equity investments;
 - the Company will focus on providing the majority of its Commitments and investments to underlying funds that invest in businesses that are at a more mature stage of development, and in particular the Later Expansion and Buyout stages of Private Equity investment;
 - to fund these investments, portions of the Enhanced Yield fund investment will be realised, ultimately resulting in a significant majority of the Company's Net Investment Portfolio invested in Private Equity assets;
 - to maintain the integrity of the underlying fund selection criteria and to provide additional diversification, the Company will seek to commit a maximum of 30% of the Private Equity Allocation to European based Private Equity funds focussed on investing in the Later Expansion and Buyout stages of Private Equity;
 - the Company will aim to have made Commitments and investments in up to 12 Private Equity funds within three years, which could result in a portfolio of more than 70 underlying investments when fully invested;
- to further enhance Investor returns, the Company may also directly invest in underlying investments by co-investing alongside underlying funds up to a maximum of 10% of its Private Equity Allocation.

ENHANCED YIELD FUND INVESTMENT

The Enhanced Yield fund managed by AMP Capital Investors is an existing wholesale fund that has been selected by the Company for initial investment as a result of it meeting the Company's requirements for high income, capital stability and liquidity.

The AMP Capital Enhanced Yield fund (AMP fund) aims to achieve a return of 3% above the Reserve Bank of Australia cash rate.

The fund aims to achieve capital stability from diversification of income sources, industry sectors, geographic region and risk profiles. Capital stability is facilitated by the AMP fund's significant exposure to debt instruments which are subject to floating rates, and the use of derivative strategies involving interest rate swaps and futures contracts.

High income is achieved by the AMP fund normally investing in high yielding assets across private debt, listed hybrids and corporate debt.

Liquidity is provided from two sources:

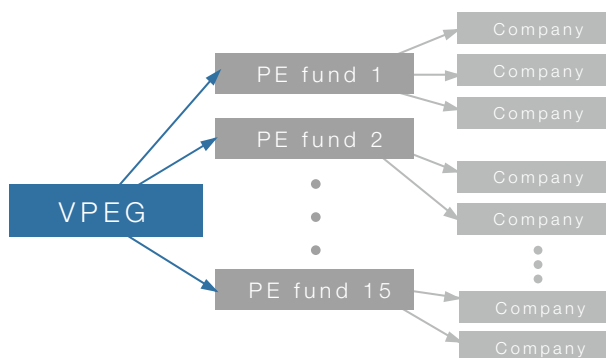
- approximately 50% of the AMP fund's portfolio will comprise of hybrids and corporate bonds, which are traded on a day to day basis.
- a liquidity facility is provided by AMP Life (S&P: AA-) to deliver additional comfort in meeting Investors' liquidity needs.

The AMP fund's returns, before fees, since inception (12 May 2003) to 30 November 2005 was 10.44% p.a.

PRIVATE EQUITY INVESTMENT STRATEGY

The Company will invest in Private Equity funds based predominantly in Australia with an allocation to European based Private Equity funds to create a well diversified portfolio of Private Equity investments. These investments will be made by the Company making Commitments to the Private Equity funds (underlying funds) of the Top Quartile performing Private Equity fund managers that in turn make investments into business enterprises (underlying investments) requiring Later Expansion and Buyout capital to accelerate their growth and enhance their value.

Diversification



Diversification of the Company's Private Equity investments will be achieved by spreading Commitments and investments to Private Equity in five ways, by:

- fund manager;
- financing stage;
- industry sector;
- geographic region; and
- Vintage Year.

When the total of the Private Equity Allocation is fully committed, the maximum percentage allocated to any one Private Equity fund is expected to be no more than 10% of the total Private Equity Allocation.

Dynamic Allocation Strategy

The objective of the dynamic allocation strategy is to achieve a reduced volatility of returns to the Company over the medium to long-term and optimise the allocation of the Company's Net Investment Portfolio to the highest performing assets.

The Manager will utilise sophisticated analytical techniques for the modelling and analysis of underlying funds and their underlying investments in order to identify the spread in performance of underlying funds to comparables within the specific financing stage, geographic region and Vintage Year. This information will feed into the Manager's dynamic allocation model, which will be used to continually refine the allocation of Commitments across the highest performing sectors and underlying managers.

Over Commitment Strategy

When investing in Private Equity funds, there is an important

difference between Commitments and investments. The Commitments made by an Investor to an underlying Private Equity fund, result in actual investments made by that underlying fund being spread across a number of years. When a Commitment is made there is usually no immediate cash flow effect and cash is only drawn down by the Private Equity fund when investments in underlying enterprises actually take place. Furthermore the Private Equity fund often commences divestment of underlying investments, providing distributions back to Investors, while a portion of the original Commitments made by Investors remain un-drawn. As a result there typically exists a gap between the Commitment and the investment level, with investments rarely reaching 100% of Commitments at any point in time.

To overcome the impact of the gap between Commitments, investments and distributions on cash flows, the Company will adopt an over Commitment strategy. This means that the Company will aim to invest substantially all of its Private Equity Allocation as soon as reasonably practical, subject to the Investment Guidelines.

The level of over Commitment will be determined by taking into account the anticipated cash outflows (Draw Downs) and inflows (Distribution) of the Company's Net Investment Portfolio as well as taking into account the Commitment levels set for each Vintage Year in accordance with the Company's Investment Guidelines.

Furthermore, the Manager will manage the over Commitment strategy by continuously monitoring the Company's cash flow forecasts utilising both historical industry data and actual underlying fund manager data where it is available and by engaging in the active management of the Company's ongoing investments.

If required the Company may undertake short term borrowings to finance any disparity between commitments drawn down by the underlying funds and distributions received from the underlying funds.

Secondary Transactions

VPEG may invest into existing Private Equity funds (each a "Secondary Transaction") in order to increase the Vintage Year diversification of the Private Equity Allocation. Secondary Transactions shall be subject to the same requirements, restrictions and procedures as all other investments of the Company.

Co-investment Strategy

VPEG will adopt a strategy whereby direct investments may be made in exceptional underlying businesses identified by Private Equity fund managers. This is to be achieved by utilising the expertise of the Manager and the extensive proprietary deal flow of the underlying fund's managers. The intention of this approach is to further enhance the opportunity for superior

returns on investment for the Company.

No more than 2% of the Company's total Private Equity Allocation will be invested in any one co-investment up to a total maximum of 10% of the Company's Private Equity Allocation in accordance with the company's Investment Guidelines.

Investment Of Retained Earnings

It is the intention of the Company to pay dividends to Shareholders at a level sufficient for those dividends to be fully franked as soon as reasonably practical. The remaining retained earnings of the Company will then be further committed and invested into underlying Private Equity assets.

Retained earnings will be invested into the underlying Private Equity assets utilising the dynamic allocation approach described above and in accordance with the Investment Guidelines. These invested retained earnings will result in new Commitments and new investments in Private Equity assets, which when grown will ultimately further increase the value of the Company's Net Investment Portfolio. The compounding effect of the investment of retained earnings significantly enhances the potential for strong returns to Investors.

Hedging

The Company will primarily invest in Euro and Australian Dollar denominated securities and intends to hedge as appropriate its assets denominated in foreign currencies, due to the longer term nature of its foreign currency investments.

INVESTMENT GUIDELINES

The Investment Guidelines are designed to ensure that investments made by the Company are consistent with the Investment Strategy. The Investment Guidelines are pre-defined allocation ranges that may be varied by the Investment Committee of the Company where it is considered appropriate.

Allocation By Financing Stage

The Manager shall endeavour to make investments across each financing stage such that ultimately those investments as a proportion of the Company's total Private Equity Allocation are in accordance with the following:

Financing Stage	Target Allocation	Allocation Criteria	
		Min.	Max.
Buyouts	70%	60%	90%
Later Stage Expansion	30%	10%	40%

Allocation By Geographic Area

The Manager shall endeavour to make investments across

geographic areas such that ultimately, those investments as a proportion of the Company's total Private Equity Allocation are in accordance with the following:

Geographic Area	Target Allocation	Allocation Criteria	
		Min.	Max.
Australia	80%	70%	100%
Western Europe (excl. UK)*	20%	0%	30%

*The Company may invest in UK based funds that invest predominantly in Western Europe but outside UK.

Allocation By Vintage Year

To provide diversification across Vintage Years, the Company intends that no more than 40% of total Private Equity Allocation shall be committed to Private Equity funds of the same Vintage Year in any one year.

Allocation Limits Per Individual Investment and Investment Type

The Manager shall endeavour to make Commitments and investments such that ultimately, the aggregate investments across each investment type do not exceed the amounts in the following:

Investment Type	Maximum Individual Investment as a % of total Private Equity Allocation	Maximum Investment per Investment Type as a % of total Private Equity Allocation
Unlisted Private Equity fund	15%	Without Limit
Co-investments	2%	10%

PROCESS FOR FUND SELECTION AND INVESTMENT

The following section details the Company's approach to selecting and investing in underlying Private Equity funds.

Fund Manager Selection Criteria

Only Private Equity funds whose manager's or management team's previous funds have in the past performed within the Top Quartile of returns as measured by the relevant benchmark will be considered for investment by the Company. This selection criterion will enhance the likelihood of the Company's Net Investment Portfolio itself achieving Top Quartile returns. A comprehensive and rigorous system for the screening of fund managers for investment has been developed by the Investment Manager, a summary of which is outlined below.

The Investment Manager will make recommendations to the investment committee of the Company to make Commitments and invest in unlisted Private Equity funds whose managers and funds typically meet the following criteria.

Investment objective:

- focus on investing within a specific region across Australia/Asia or regional Europe;
- strong local market knowledge and presence;
- focus on Later Expansion or Buyout sectors;
- direct investments in Private Equity only;
- original investment objective is to enter into more than five ultimate investments;
- largest individual investment less than 25% of total Commitments of the fund; and
- clearly defined strategy and criteria for the industry sectors and types of investments to be made.

Investment process and structure:

- defined process for pre investment review;
- investment committee comprised of a majority of members independent from the deal team;
- active management style of underlying investments;
- transparent quarterly reporting (as a minimum) to their Investors, detailing the current valuation of the fund's underlying investments (realised and unrealised) and the performance of the underlying portfolio companies;
- fund independently audited on an annual basis; and
- tax effective fund structure.

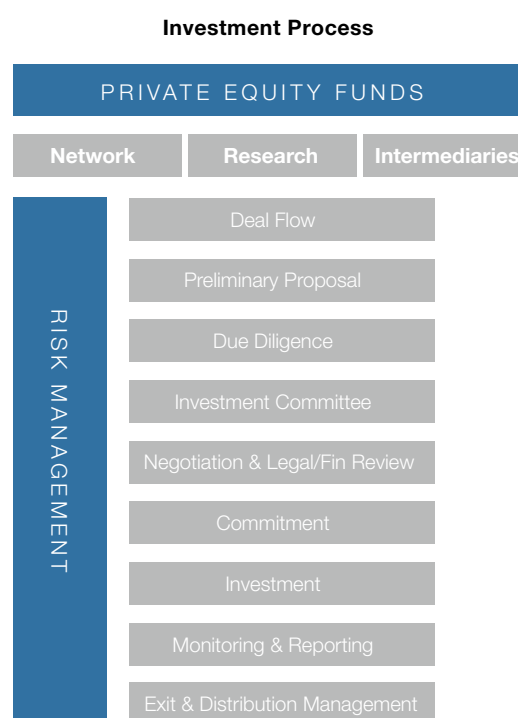
Previous performance of manager:

- previous fund established for a minimum of 5 years or the fund team has a minimum 5 years experience together in another Private Equity fund or other Private Equity investment vehicle;

- more than 50% of investments have been exited or realised from any previous fund that has been in existence for at least 5 years; and
- top Quartile performance on realised investments of previous fund. This will be independently verified by the Manager and benchmarked against the relevant financing stage and geographic regional survey of Private Equity fund returns.

Fund Investment Process

The underlying fund selection and investment process that the Manager will systematically adhere to for its management of the Company's Private Equity investments is illustrated in the following figure:



Out of the universe of Australian and European Private Equity funds, the Manager expects to evaluate over 100 investment opportunities that ultimately should result in Commitments and investments in up to 12 Private Equity funds within the first three years.

In summary the investment process proceeds as follows:

Using the Manager's and advisors' extensive network and expertise, the potential pool of Private Equity funds is identified and reviewed. After reviewing the potentially best performing funds, a preliminary investment proposal is written to provide an overview of the investment opportunity. Due diligence investigation is commenced for those funds that achieve a positive recommendation. Upon receipt of an investment submission, the Investment Committee (consisting of the Board of the Company) meets to decide whether to proceed with a Commitment to the targeted Private Equity fund, conditional upon successful financial and legal

negotiations. Once completed, the investment is monitored and periodically reported to Shareholders as part of the quarterly update.

In more detail, the investment process consists of the following steps:

1. The first step in the investment process is to identify and gain access to what are anticipated to be the top tier of Private Equity funds. Based on the extensive network and direct relations with fund managers and other groups, such as investment banks, corporate Investors and advisors, the Investment Manager will access the highest quality Private Equity funds.
2. A preliminary investment proposal is written and discussed at the Investment Committee, to provide a general overview of the potential investments. In this step, the Private Equity funds proposed for investment by the Company are screened according to several criteria, including information regarding strategy, key personnel and track record.
3. Once approved by a majority of the Investment Committee, the next step is to engage in a thorough due diligence investigation of the Private Equity funds and managers.

The due diligence process includes an independent verification of the stated IRR calculations of the past funds managed by the proposed manager, utilising the Investment Manager's proprietary valuation model. Additionally the proposed fund managers must answer detailed questionnaires prepared by the Investment Manager, with responses compared with best practice in funds management. Finally interviews are conducted with the portfolio companies of the proposed manager's past investments to ascertain the value add from the fund manager. This is supplemented by reference checks utilising the broad network of the Investment Manager and advisors to obtain an independent, clear picture of the underlying fund manager's competencies.

4. Following a positive outcome of the full due diligence, an investment submission is presented by the Manager to the Investment Committee.

The Investment Committee reviews nominated investments and will make all investment decisions that are within the Investment Guidelines on a majority basis. Investments outside of these guidelines are to be decided on a unanimous basis. A formal decision by the Investment Committee is needed to proceed to financial and legal due diligence and to ultimately proceed to a Commitment to invest in a particular fund.

5. The Manager then undertakes to negotiate the final terms of the investment with the Private Equity fund manager.

This is coupled with the final financial and legal due diligence of the fund documentation. At this stage certain aspects of the legal and tax due diligence are conducted by external professional advisors.

6. After successful resolution of economic, legal and financial issues, legal documents are signed to engage in an investment in the Private Equity fund under consideration.
7. Once a legal Commitment has been made to a fund, the committed capital will typically be drawn down on an 'as needed' basis, in effect when the underlying fund is making an investment in an underlying portfolio company.
8. As the Private Equity portfolio is established, its performance is monitored by the Manager and periodically reported to the Company. Quarterly portfolio updates and audited annual reports are provided by the underlying fund managers in accordance with industry standard reporting guidelines. The Manager will actively monitor the developments within the Private Equity Portfolio and, when necessary, take appropriate action.
9. When investments in underlying investee companies are subsequently realised proceeds received by the underlying fund manager will be distributed to the Company as soon as practicable.

Finally, risk management is an essential part of the total investment process. The Manager focuses attention on risk management by implementing risk control procedures.

The Compliance Committee oversees the risk management process to ensure consistency of the investment process and the adherence to the Investment Guidelines.



“Should you choose to protect your investment in the Company, the risk of loss of your initial investment across the first ten years is diminished.”

SECTION FIVE

CAPITAL PROTECTION OPTION

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SECTION FIVE

CAPITAL PROTECTION OPTION

Investors in the Company have the option to select to protect their initial investment over a ten year time frame by subscribing for Convertible Notes. The Convertible Notes will be redeemable 10 years from their Issue Date, with capital protection provided in accordance with the Capital Protection Agreement between the Company and UBS AG, Australia Branch. A 2% Coupon will be payable by the Company annually in arrears on the Convertible Notes. Details of the protection terms follow.

Summary Of Protection

Should you choose to protect your original investment by subscribing for Convertible Notes, the Company provides you with the comfort of capital protection supported by an asset issued by UBS AG Australia Branch (UBS), which is subject to the terms and conditions set out in this section of the Information Memorandum and in the Capital Protection Agreement between the Company and UBS.

CAPITAL PROTECTION AGREEMENT

UBS and the Company have signed a binding terms sheet, conditional on the Company raising the minimum subscriptions as outlined in the Offer Summary of this Information Memorandum, pursuant to which the parties will enter into a Capital Protection Agreement.

This Agreement governs the terms and conditions upon which, for each Convertible Note issued, the Company will purchase a senior unsecured obligation of UBS AG, Australia Branch which is rated AA+ by Standard and Poors. The amount initially invested in the Protection Asset by the Company will be calculated so that it is intended to have a value on the 10th anniversary of the Issue Date of the Convertible Notes ("Protection Effective Date") at least equal to the amount required to repay each Convertible Noteholder's initial investment ("Protection Amount").

On the Protection Effective Date the Company will redeem the Protection Assets and UBS will be required to pay the Company the Protection Amount. However the Protection Amount Payable by UBS is subject to the regulatory and credit risks outlined in Section 7 of this Information Memorandum. Upon receipt of the Protection Amount from UBS on the Protection Effective Date, the Company will pay the proceeds to the Convertible Noteholders registered as at the Protection Effective Date.

Neither the Company nor UBS will be required to pay the Protection Amount if, prior to the Protection Effective Date, either a Convertible Noteholder has converted their Convertible Notes to Shares or the Convertible Notes are redeemed for

any other reason. Following conversion or early redemption, UBS retains the right to sell or repurchase the corresponding Protection Asset at the then market value with the proceeds of such a sale passed on to the Company or the Trustee of the Convertible Noteholders whichever is applicable.

In the event of the insolvency or liquidation of the Company, the Trustee may exercise its rights pursuant to the Trust and Security Deed to take beneficial ownership of the Protection Assets in favour of Convertible Noteholders in accordance with the Security and Convertible Note Trust deed as detailed in the Additional Information Section of this Information Memorandum.

CAPITAL PROTECTION PROVIDER

UBS is the provider of protection to the Convertible Notes to be issued by the Company to Investors selecting to protect their initial investment in the Company.

UBS AG was formed on 29 June 1998 from the merger of Swiss Bank Corporation and Union Bank of Switzerland. UBS AG is the largest Swiss bank and one of the strongest financial institutions in the world. Securities in UBS AG are listed on the New York, Zurich and Tokyo Stock Exchanges. As at the date of this Information Memorandum, UBS has a credit rating of AA+ from Standard & Poor's and Aa2 from Moody's Investor Services for long term debt; and A-1+ from Standard & Poor's and P-1 from Moody's Investor Services for short-term debt.

UBS AG established its Australian Branch on 1 January 2004. UBS AG, Australia Branch is an Authorised Deposit-Taking Institution under section 9 of the Banking Act 1959 (Cth). UBS AG, Australia branch is regulated by the Australian Prudential Regulation Authority.

CONVERSION PROCESS

From the date commencing three years after the Commencement Date (the First Conversion Date), Convertible Noteholders will have the option of converting their Convertible Notes into Shares of the Company on a quarterly basis prior to the Protection Effective Date.

However, the Capital Protection is not available to Convertible Noteholders who have elected to convert or have converted their Convertible Notes to Shares prior to the Protection Effective Date.

If Convertible Noteholders want to elect to convert their Convertible Notes, they should contact the Registry (or visit Company's website www.vpeg.info) to obtain the necessary forms.

Convertible Noteholders electing to convert their Convertible Notes will receive ordinary Shares in the Company calculated as at the Conversion Date (as defined in the right hand column of the table below) for each Convertible Note converted as detailed below.

Two months prior to the First Conversion Date, Convertible Noteholders will be notified by the Company of the date of the First Conversion Date and the date by which they must notify the Company that they wish to convert their Convertible Notes to Shares.

Subject to the minimum individual and aggregate conversion requests required by the Company to proceed with conversion, as detailed below, conversion requests will be processed on the First Conversion Date. Convertible Noteholders whose conversion requests are accepted will be notified of their Share holdings in the Company within one month of conversion.

Following the First Conversion Date the process for conversion (Quarterly Conversion Facility) each year is that Convertible Noteholders must notify the Company by the relevant notice date, in order for the relevant Convertible Notes to be converted to Shares of the Company, based on the conversion amount calculated as at the Conversion Date. The Notice Date and Conversion Date applicable to each year are as detailed in the following table:

Notice Date	Conversion Date
1 December	31 December
1 March	31 March
1 June	30 June
1 September	30 September

Note that if the dates above are not Business Days then, for notification, the Convertible Noteholder must notify the Company by the Business Day prior to that date and the conversion will occur on the next Conversion Date which is a Business Day after that date.

For example, a Convertible Noteholder wishing to have their Convertible Notes converted on 31 March in any given year will need to give a notice of conversion to the Company by 1 March of that year. The amount of Shares the Convertible Noteholder receives per Convertible Note will be determined by the conversion amount as at 31 March (less any applicable fees and charges).

Convertible Noteholders using the Quarterly Conversion Facility should note that the Company must receive conversion requests relating to an aggregate of at least \$100,000 worth of Convertible Notes for the relevant quarter before the Company is required to convert. The Company may elect not to make a particular quarterly conversion

available on this basis. Convertible Noteholders who have submitted notices to convert will be notified and given the opportunity to withdraw their request. Convertible Noteholders that do not withdraw their request will be taken to have made a new request for conversion at the next available Conversion Date.

Each conversion request must be for a minimum of at least \$50,000 worth of Convertible Notes, or if more than one conversion request is made in a particular conversion quarter by a Convertible Noteholder, the aggregate must equal at least \$50,000.

If a Convertible Noteholder's conversion request would result in the Convertible Noteholder holding less than \$50,000 worth of Convertible Notes following conversion, the Convertible Noteholder will be deemed to have given a notice to convert their entire holding of Convertible Notes.

Apart from the circumstances set out above, Convertible Noteholders cannot withdraw their conversion requests.

Conversion requests will be processed in the order in which the Registry determines they have been received.

If you wish to make a conversion via the Quarterly Conversion Facility, you should contact the Company on 1300 365 991 or visit www.vpeg.info to obtain the necessary forms by the date specified in the table above.

SHARES RECEIVED UPON CONVERSION

Upon electing to convert their Convertible Notes to Shares, Convertible Noteholders will receive Shares in the Company as at the relevant Conversion Date. The number of Shares per Convertible Note will be determined as follows.

From the Commencement Date a portion of the Convertible Note's Application Monies will be invested in Protection Assets with the remainder, less attributable expenses, allocated to the Net Investment Portfolio for investment.

At the end of each month, the nominal Conversion Value per Convertible Note will be calculated by adding the then market value of the Protection Asset to the proportional share of the Net Investment Portfolio attributable to each Convertible Note less the Convertible Note's share of the Company's initial and ongoing expenses less any Coupon Payments made on the Convertible Note.

At each Conversion Date the number of Shares to be received for each Convertible Note will be equal to the Conversion Value per Convertible Note at that time divided by the then Net Asset Value per Share of the Company.

Should the calculation of the number of Shares to be issued on conversion include a fraction, the actual number of Shares

to be issued in aggregate to each Convertible Noteholder per conversion request will be determined by rounding down the calculation to the nearest whole number.

The calculation of the number of Shares to be received per Convertible Note as at each Conversion Date will be in accordance with the above and independently verified by the Auditor.

The Company will post on its website (www.vpeg.info) each month the applicable number of Shares that would be issued for each Convertible Note if conversion was to occur at that time. Note that conversion cannot occur until the First Conversion Date.

By way of example the table below provides an indication of the number of Shares that each Convertible Noteholder would receive at the Conversion Dates that are nearest to three, six and ten years from the Commencement Date. The ten year example assumes that Convertible Noteholders convert on the last Conversion Date prior to the Protection Effective Date.

In the example below it has been assumed that the value of the Net Investment Portfolio increases at a rate of 20% per annum after payment of all Company expenses including the value of any options issued and the 2% per annum Coupon payment to Convertible Noteholders.

Furthermore it has been assumed that prevailing interest rates remain constant from the Commencement Date for a period of ten years. Interest rate fluctuations may cause the total Conversion Value per Convertible Note to vary.

The example below is not a forecast and these assumptions have only been used for the purposes of illustrating the method of determining the number of Shares to be issued to Convertible Noteholders on conversion.

It is important to note that Convertible Noteholders receive the 2% Coupon each year while they hold Convertible Notes, in addition to the Conversion Value per Convertible Note illustrated in the example.

Conversion Date (Years from Commencement Date)	Conversion Value per Convertible Note (\$)	NAV per Share	No. of Shares issued on Conversion
Three	1,307	1.67	782
Six	1,835	2.89	635
Ten	3,066	5.99	512



“VPEG’s highly qualified and experienced investment management team is complemented by a strong Board with a majority of independent directors with substantial business, finance and Private Equity investment management expertise.”

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SECTION SIX

INVESTMENT MANAGEMENT

VPEG has established an alliance of specialists to manage specific components of the Company's Investment Portfolio. As well as the Manager, other parties engaged to manage specific components of the Company's Investment Portfolio include AMP Capital Investors and Robeco Alternative Investments.

THE INVESTMENT MANAGER

Vantage Asset Management Pty Limited (Vantage) has been engaged to be the investment Manager of the Company.

Vantage will be responsible for selecting and managing the Company's portfolio of investments, ensuring that at all times investments are conducted in accordance with the Company's Investment Guidelines.

Vantage is an independently owned, Private Equity investment management group, with expertise in Private Equity, funds management, quantitative analysis, due diligence and management operations. Vantage is Australian owned and domiciled with operations in Sydney and Melbourne and holds Australian Financial Services Licence (AFSL) No. 279186.

Internationally, Vantage also has access to specialist Private Equity investment advisory groups located in Europe. Having access to these additional resources brings a significant advantage to accessing and monitoring specialist international Private Equity investment strategies and managers.

Through its relationships and expertise Vantage will adopt an active selection process for the Company's portfolio of investments and will dynamically manage the Company's allocation across Private Equity managers, financing stages, industry sectors, Vintage Years and geographic regions.

Furthermore, it will seek to maximise investment levels through a regularly updated forward-looking over-Commitment programme. It will seek to further enhance returns by selectively co-investing alongside underlying managers in outstanding opportunities.

A summary of the Management Agreement between the Company and the Manager can be found in Section 10 of this information Memorandum.

ENHANCED YIELD FUND MANAGER

The Company has selected to initially invest a portion of its Net Investment Portfolio into an Enhanced Yield fund managed by AMP Capital Investors. From the Commencement Date the Company will purchase wholesale units in the AMP Enhanced Yield fund, which aims to deliver high income and capital stability without sacrificing liquidity. Details about the AMP Enhanced Yield fund can be found in Section 10.

The AMP Capital Investors' structured and high yield debt team is responsible for managing the AMP Enhanced Yield fund. The team is one of the most experienced in Australia with an average of eight years of financial markets experience. The hybrid and corporate bond components of the Enhanced Yield fund are managed by AMP's credit markets team.

AMP Capital Investors is one of Asia Pacific's leading specialist investment managers. As at 30 September 2005 AMP Capital Investors managed over A\$88 billion for Investors in Australia, New Zealand, Singapore and Japan. AMP Capital Investors' structured and high yield debt team has built up a dominant position in the private debt market, managing around \$1.7 billion in funds. The credit markets team currently manages over \$8 billion in hybrid and corporate bond portfolios.

EUROPEAN ADVISOR

Robeco Alternative Investments has been selected to assist the Manager and the Company in gaining access to and investing in European Private Equity funds managed by experienced and proven European Private Equity fund managers.

Robeco Group ('Robeco') is an independently operating investment advisory firm owned by Rabobank, one of Europe's largest banking groups and the only privately held commercial bank in the world rated triple-A by the major rating agencies (Moody's, Standard & Poor's).

Robeco is the centre of asset management within Rabobank. Robeco's assets under management amount to more than Euro 110 bln, approximately 60% of which originates from institutional clients. Robeco manages the assets of Rabobank's insurance company Interpolis, Rabobank's pension fund and part of Rabobank's treasury.

The activities of Robeco Alternative Investments / Private Equity commenced in the year 2000. As at 31 December 2004 Robeco managed around Euro 500 million in Private Equity assets and had made Commitments to more than 30 underlying Private Equity funds. Prior to joining Robeco in 2000, the Managing Partners were at two of the largest pension funds in the world (PGGM and ABP) responsible for committing a total of Euro 7 bln to Private Equity fund investments.

BOARD AND MANAGEMENT OF THE COMPANY

The Board of the Company, along with the executive team of the Manager and European Advisor, provide a strong balance of governance, compliance, and commercial skills required to make appropriate investment decisions and to subsequently monitor and support the performance of the Company's Investment Portfolio.

In line with the best practice recommendations set by the ASX Corporate Governance Council the Board of the Company will consist of a majority of independent Directors. The Non Executive Directors of the Company are Rod McGeoch AM (Chairman), Patrick Handley, David Smithers AM and Paul Scully. The Manager has made Michael Tobin available to the Company as Managing Director and Niek Hoogenhout as Executive Director.

The Board will function as the Investment Committee and approval by the Investment Committee will be required for all Commitments and investments made by the Company. The Board intends to meet between six to eight times per year to review the performance of the Company and to consider and make recommendations regarding investment submissions presented by the Manager for investment by the Company.

An audit and compliance sub committee comprised of David Smithers, Paul Scully and Michael Tobin will be responsible for ensuring compliance by the Company with the law, the Constitution and the investment process and will also oversee the annual audit of the Company's accounts.

Biographies of the Board and Investment Management Team follow.



Rod McGeoch AM – Chairman (Non Executive)

Rod is the immediate past Chairman Emeritus of Corrs Chambers Westgarth, a leading Australian law firm and has significant Board and advisory experience. His current board positions include Chairman of Pacific Healthcare Australia Limited, Chairman of Sky City Entertainment Group, Director of Telecom Corporation of New Zealand Limited and Director of Ramsay Healthcare Limited. Rod was previously a member of the International Advisory board of Morgan Stanley Dean Witter, one of the world's leading financial institutions.

Rod was also the Chief Executive Officer of Sydney's successful Olympic 2000 bid and a Director of the Sydney Organising Committee for the Olympic Games.

Rod was awarded membership of the Order of Australia for services to Law and the Community in 1990.



Patrick Handley – Non Executive Director

Pat is currently Chairman of Pacific Brands Ltd and has overseen the turnaround of the company since 2001 after it was purchased from Pacific Dunlop in a Management Buyout led by the Private Equity fund managers Catalyst and CVC Asia Pacific. Pat has over 30 years international financial services experience and is also currently a strategic adviser to PricewaterhouseCoopers and Nomura Securities.

Pat was previously an Executive Director and Chief Financial Officer of Westpac Banking Corporation, where during his tenure he established the first Quadrant Private Equity fund in 1994. Pat has also been Chairman and Chief Executive Officer of County Savings Bank (USA), Chief Financial Officer of BancOne Corporation (USA) and a Director of Suncorp Metway Limited, AMP Limited and HHG.

Pat holds a Bachelor of Commerce in Economics and Mathematics from Indiana University and an MBA from Ohio State University.



David Smithers AM – Non Executive Director

David is currently an Executive General Manager of Leighton Holdings Limited and has an extensive background in Corporate Finance, Audit and Compliance. David has significant board and audit committee experience and his current board positions include Rabobank Australia Limited Group and Sydney Symphony Orchestra. David is also a member of the Audit Committee of Sydney University and Chairman of the Rabobank Australia Limited Audit Committee.

David is the former Chairman of PricewaterhouseCoopers Australia. He was also a member of the PricewaterhouseCoopers Global Board and the Asia Pacific Managing Partner for Corporate Finance and Recovery. PricewaterhouseCoopers is one of the world's leading audit & advisory firms.

David is also a former President of the Institute of Chartered Accountants in Australia and in 1998 David was awarded membership of the Order of Australia for services to the community.

Paul Scully – Non Executive Director

Paul is currently an independent consultant and has extensive experience in many aspects of institutional investment management, covering business and asset management, M&A and Private Equity. His current board positions include SAS Trustee Corporation, a NSW Government employee superannuation fund and ING Management Pty Ltd, the responsible entity for the ING Office fund & ING Industrial fund.



Paul is the former CEO and Managing Director of ING Investment Management (INGIM) Asia Pacific and a member of INGIM's Global Management Board. Paul was responsible for establishing INGIM's Private Equity multi manager investment program in 1997 and was part of the team that subsequently built that business to approximately \$300m of funds under management. During his tenure, INGIM invested in many Private Equity funds managed by close to 20 Australian Private Equity fund managers.

Paul is an actuary by training and has also written extensively on finance related topics.

Michael Tobin – Managing Director

Michael has been made available to the Company as Managing Director by the Manager and will be responsible for overseeing the implementation of the Company's Investment Strategy. Michael has over 15 years experience in Private Equity management, advisory and investment as well as in management operations.



Michael was formerly Head of Development Capital and Private Equity at St George Bank where he was responsible for the management and ultimate sale of the bank's Commitments and investments in \$140m worth of St George branded Private Equity funds. Michael also established the bank's Private Equity advisory business which structured and raised Private Equity for corporate customers of the bank. Michael has arranged and advised on direct Private Equity investments into more than 30 separate private companies in Australia across a range of industry sectors.

Michael holds a BE from the UNSW and he has received an MBA from the Australian Graduate School of Management. He also holds a Diploma of Financial Services from the Australian Financial Markets Association.



Niek Hoogenhout – Executive Director

Niek has been made available to the Company as a Director by the Manager. Niek will be responsible for overseeing the implementation of the Company's Investment Strategy into Europe and managing the company's relationship with the European Advisor. Niek has over 10 years experience in the Financial Services sector as well as management operations expertise.

Niek was formally a financial services advisor responsible for leading strategic advisory engagements with fund managers and other Financial Services organisations including AXA Australia, Promina/Tyndall, CGU/Norwich Union, Macquarie Bank and National Australia Bank. Niek has also been an Assistant Vice President of Citibank Australia.

Niek holds a BBA from Nijenrode, Breukelen, the Netherlands and an MBA from the Harvard-founded IESE, Barcelona, Spain with a specialisation in corporate finance.



Dr. Paul Richardson

Paul is Head of Quantitative Management at Vantage Asset Management Pty Limited and has responsibility for overseeing the quantitative analysis of investment opportunities and the dynamic portfolio allocation of Private Equity investments.

Prior to Vantage, Paul managed a boutique advisory firm offering strategic advisory and Private Equity due diligence services across a range of industry sectors for a number of Private Equity funds, family offices and direct Private Equity Investors. Paul has previously lectured in technology commercialisation at Monash University and in the Electronic Commerce, Information Technology and Management Information Systems modules for the MBA program at Melbourne Business School.

Paul holds a BE (Hons) from the University of Melbourne and an MBA from La Trobe University. Paul also holds a Ph.D. from Monash University specialising in complex analytical techniques including neural networks, genetic algorithms and advanced statistical analysis of large multi-dimensional data sets.



Ad van den Ouweland

Ad is the Managing Partner of Robeco, the centre of asset management within the AAA rated Rabobank. Robeco's assets under management total Euro 113 bln. Ad has responsibility for the management of Robeco's, USD 500 million, Private Equity fund of funds program. Robeco will assist the Manager and the Company with its Private Equity Allocation into Europe.

Ad and his colleagues at Robeco were formerly responsible for managing more than Euro 7 bln across the Private Equity fund of funds portfolios at two of the Netherlands largest Pension fund managers (PGGM and ABP), which generated net returns during their tenure, between 1990 to 2000, of 41% and 33% per annum respectively.

Ad has served as an advisory committee member on a number of international Private Equity partnerships and is co-author of the European Venture Capital Association (EVCA) valuation and reporting guidelines.

Ad has an M.A. in Business Economics from Tilburg University complemented with the Dutch VBA Financial Analyst program.

SECTION SEVEN

RISKS

There are a number of factors, both general and specific to the Company, which may affect the operating and financial performance of the Company and the value of an investment in the Company. Many of these factors are outside the control of the Company and cannot be mitigated against. This section describes some of those risks.

The following matters, as well as the other information set out in this Information Memorandum, should be carefully considered by Investors in evaluating the Company and its prospects before deciding to invest in the Company.

GENERAL INVESTMENT RISKS

General Market

Investors' returns may be adversely affected by fluctuations in general economic and market conditions, including:

1. market volatility;
2. movements in interest rates;
3. domestic and international economic conditions, which generally affect business earnings;
4. political events, war, natural events; and
5. changes in government, monetary policies, taxation and other laws and regulations.

The above factors may affect the Company to the extent that an investment held by an underlying fund, to which it will have an exposure, may be affected by some of the above factors.

Foreign Exchange

Investments in foreign securities involve the risk of currency fluctuations between the Australian Dollar and the currency in which the investment is made. The Company will primarily invest in Euro and Australian Dollar denominated securities. Fluctuations in the exchange rate between the Euro and Australian Dollar are unpredictable and can have a significant impact on the return on investment. Separately, individual underlying funds may invest in other currencies.

The Company intends to hedge as appropriate its assets denominated in foreign currencies.

SPECIFIC COMPANY RISKS

Australian Financial Services Licence (AFSL)

The ability of the Manager to continue to manage the Investment Portfolio in accordance with this Information Memorandum and the Corporations Act is dependent on the maintenance of the Manager's AFSL and its continued solvency. Maintenance of its AFSL depends, among other things, on the Manager continuing

to comply with the ASIC imposed licence conditions and the Corporations Act.

Liquidity

As the Company will not be initially listed on an exchange, there will initially be no mature secondary market for trading Shares. The Company will, however, subject to the Directors determining that it is in the best interests of Shareholders to do so, offer periodic buy-back opportunities for Investors.

The underlying funds will be illiquid because, unlike listed entities, there is no secondary market for private unlisted investments. An investment in the Company is therefore relatively illiquid as there is generally no opportunity to withdraw your investment into Shares (although Convertible Notes are redeemable on the Protection Effective Date) and there is generally no established secondary market in which to sell the Securities.

The Company will look to mitigate this risk by facilitating a matching service between Security Holders seeking to sell their Securities in the Company and other Security Holders of the Company at that time.

Performance

The Company has no operating or performance history and therefore no record of performance or financial statements exist for the Company. The historical performance of Private Equity funds or the Private Equity market in general are not reliable indicators of future performance and the Company does not guarantee any level of return to Investors. No Shares have been issued in the Company (other than the two ordinary Shares issued to establish the Company).

Underlying Fund Performance

The performance of the Company is dependent on the investment performance achieved by the Company's Investment Portfolio. Accordingly, there is a risk that the underlying funds in which the Company invests, or to which the Company has an exposure, may perform poorly.

Long Term Investment

Investors should regard any investment in the Company as a medium to long-term proposition and to be aware that, as with any listed or Private Equity investment, fluctuations in the value of their investment may occur over time.

Asset Class Inherent

Investment in Private Equity can be of a higher risk than traditional asset sectors and some investments may fail which may result in a loss of Investors' capital.

Loss of Key Personnel

Personnel who are vital to the operations of the Company may resign and the Company may not be able to recruit and retain personnel with appropriate experience to manage the Portfolio.

Counterparty Risk

Losses could be incurred if a counterparty failed to deliver on its contractual obligations, or experienced financial difficulties. For this reason, the Company only engages with counterparties of substantial net worth and high credit ratings at the time of entry.

Regulatory Risk

Domestic and international laws or regulations may change which may adversely affect the operations of the Company and the investment returns available to Investors. Regulatory supervision of transactions and reporting may be performed at an unsatisfactory level. The Company reserves the right to take steps to limit or prevent the adverse effects from changes in laws or their interpretation, including altering investments or restructuring the Company.

Compliance Risk

Reports provided to the Company may be incorrect or fraudulent, compliance may not have been enforced or investment guidelines may have been breached. This risk is managed by regularly reviewing and closely monitoring the underlying funds to which the Company has exposure as part of the investment process.

RISKS SPECIFIC TO THE CONVERTIBLE NOTEHOLDERS

Regulatory Risk

Generally, the Protection Amount payable to Convertible Noteholders by the Company may be reduced if, under the terms of the Capital Protection Agreement, UBS is required to deduct any amount in respect of any taxes from a payment to be made by it. Further, if there is a reduction in the value of the Protection Asset held by the Company as a result of any change in law or tax, the Protection Amount payable to a Convertible Noteholder by the Company will be reduced accordingly. In the event that changes in corporate tax rates or laws adversely impact the value of the Protection Amount, the Manager has the right to sell assets of the Company that are attributable to Convertible Noteholders to preserve the economic value of the Protection Amount.

As at the date of this Information Memorandum, the

Company is not aware of any taxes or change in tax law, which would result in any reduction in the Protection Amount payable to Convertible Noteholders.

Credit Risk

UBS may not be able to pay the full Protection Amount of each Convertible Note to the Company if UBS suffers an insolvency event.

Liquidity And Conversion

The Convertible Notes are relatively illiquid and are only convertible into Shares of the Company after 3 years from the Issue Date with the Protection Amount of each Convertible Note only payable on Convertible Notes held at the Protection Effective Date.

The amount of Shares received by each Convertible Noteholder, should they elect to convert, is dependent upon, among other things, the value of the Protection Asset at the relevant Conversion Date. The value of the Protection Asset, applicable to each Convertible Note, at each Conversion Date, will be determined by a number of factors including the general level of interest rates and the general credit spreads.

Protection Effective Date

Investors should be aware that Capital Protection applies only as at the Protection Effective Date. No Capital Protection will apply to Convertible Notes that have been converted to Shares prior to that date. Convertible Notes held to that date will be automatically redeemed and will be paid the Protection Amount of the Convertible Note.

SECTION EIGHT

FEES

ADVISER REFERRAL FEE

Immediately following the Commencement Date, the Company will pay sales agents, brokers and financial advisers a one-only Adviser Referral Fee of 3% (excluding GST) of an Investor's Application Amount for Shares or Convertible Notes.

TRAILING ADVISER FEE

Starting in the second year after the Commencement Date and culminating at the sooner of Listing of the Company, or the end of the third year from the Commencement Date, the Company will pay quarterly in arrears a trailing adviser fee of 0.5% per annum of the Application Amounts attributable to sales agents, brokers and financial advisers, where applicable, for the Shares and/or Convertible Notes applied for by their referred Investors.

LEAD ADVISER OPTIONS

Immediately following the Commencement Date and subject to an aggregate subscription amount for the Offer of at least \$30,000,000 being achieved, the Company will issue 600,000 Options (Lead Advisor Options) to Cantor Wealth Management (Holdings) Pty Ltd (Cantor) in recognition for lead advisory services provided under the Intermediary Authorisation Agreement detailed in Section 10. Each Lead Advisor Option will entitle Cantor to subscribe for 1 Share, at an exercise price of \$1.50, at any time between 4 and 7 years following the Commencement Date.

ADVISER REFERRAL OPTIONS

Immediately following the Commencement Date, the Company may issue Options (Advisor Referral Options) to certain sales agents, brokers and financial advisors (Advisors) where the total Application Amounts for Securities applied for by their referred investors exceeds \$5 million. The maximum number of Advisor Referral Options to be issued to each Advisor under this plan will be 2% of the total dollar value of Securities subscribed for by their referred investors under the Offer of this Information Memorandum. Each Advisor Referral Option will entitle the relevant Advisor to subscribe for 1 Share, at an exercise price of \$1.50, at any time between 4 and 7 years following the Commencement Date.

INVESTMENT MANAGEMENT FEE

The Manager will be entitled to receive an investment management fee of 1.5% per annum (plus any applicable GST) of the value of the Investment Portfolio of the Company, calculated and payable monthly in arrears.

PERFORMANCE FEES

The Manager will also be entitled to a Performance Fee of 10% (plus any applicable GST) of any out-performance of the Company's Net Investment Portfolio over a 15% per annum Hurdle Rate of Return. The performance fee calculation will also take into account any distributions made to shareholders during the relevant Calculation Period.

The Performance Fee is first calculated on the sixth anniversary of the Commencement Date for the first six year period (First Calculation Period) and then on the 31st December of each year thereafter for each subsequent Calculation Period. The method of calculation of the Performance Fee is further detailed in Section 10 of this Information Memorandum.

The Hurdle Rate of Return calculation will take into account all dividends and or distributions paid to Shareholders each year. Once the first Performance Fee is paid, the Performance Fee will be calculated on a yearly basis thereafter and paid only if the Hurdle rate for the relevant Calculation Period is achieved. Any under performance from a previous Calculation Period must be made up for before any new Performance Fee can be paid.

No Performance Fee will be payable prior to the expiry of 6 years from the Commencement Date (unless the Manager is removed before that date as detailed in Section 10).

ESTABLISHMENT COSTS AND ONGOING ADMINISTRATION COSTS

Offer establishment costs (including any previously unrecovered establishment costs in respect of the Company), ongoing administration, board fees and operating costs payable to third-party service providers will be paid by the Company in accordance with the Company's Constitution. Such expenses include, without limitation, auditors' fees, certain other administration costs (including engagement of third parties to assist with administration of the Company), costs incurred in the acquisition, holding and disposal of investments (for example, specific transaction fees, investment brokerage and clearing house fees) and the costs of convening and holding meetings of Investors. If any of these costs are paid by the Manager, the Company will reimburse the Manager for all such costs.

Establishment costs are expected to be in the order of \$450,000.

INVESTORS COSTS

Each Investor is liable for all taxes and costs in relation to that Investor's entitlement to income or capital of the Company and for unpaid amounts otherwise payable by that Investor to the Company.

SECTION NINE

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23 January 2006

The Directors
Vantage Private Equity Growth Limited
Level 31
88 Phillip Street
SYDNEY NSW 2000

Dear Sirs,

Taxation Summary

This letter has been prepared for inclusion in an Information Memorandum to be dated on or about 30 January 2006 regarding the offer of securities in Vantage Private Equity Growth Limited (“the Company”).

This summary provides a general outline of the taxation implications for Australian resident Investors who are considering investing in the Company and who would hold their investment on capital account. Prospective Investors should seek their own tax advice before investing in the Company. The taxation implications for Investors may differ depending upon their individual circumstances.

This summary takes into account the law as enacted as at the date of this summary. Subsequent changes to the law will need to be monitored to determine any impact on the Company or the Investors.

1. Taxation of income of the Company

Vantage Private Equity Growth Limited is established as a company. Operating income, dividend income, interest income and net capital gains of the Company will be included in the assessable income of the Company. The Company will also need to include in its assessable income on an accruals basis part of the accrued yield on the Protection Assets. After deducting all ‘allowable deductions’ the resulting taxable income will be subject to tax at the prevailing company tax rate, currently 30%.

Dividends paid by the Company will either be unfranked or franked depending on the amount of corporate tax paid relative to the dividends declared.

Tax losses, including net capital losses incurred by the Company, are not passed on to shareholders or Convertible Noteholders, but are retained and carried forward in the Company to offset against taxable income in future years, subject to certain rules.

2. Taxation of Shareholders of the Company

(a) Dividends to Australian Shareholders

Dividends paid by the Company would be assessable income of the relevant Australian shareholder. To the extent that the dividends are franked, then the attached franking credits will also be included in their assessable income. Shareholders are entitled to a tax offset for an amount equal to those franking credits.

For resident individual and complying superannuation entity shareholders, franking credits that exceed the tax that would otherwise be payable entitles those taxpayers to a refund.

To the extent that the dividend is unfranked, there is no gross up.

Shareholders should be aware that there are specific rules that can deny their entitlement to a tax offset attached to a dividend. These rules, known as the “holding period rules”, require that the shareholder is the true economic owner of the shares. This is dependant upon the shares in the Company being continuously held and “at risk” for at least forty five (45) days. Whether such shares are held “at risk” should be the subject of professional tax advice based on the particular circumstances of the relevant shareholder.

(b) Sale of the Company Shares

Where the Australian shareholders in the Company hold their shares on capital account, then any gain or loss will be subject to the Capital Gains Tax provisions of the Income Tax Assessment Act 1997 (“1997 Act”).

A capital gain is generally calculated as the proceeds on disposal of the shares less the capital gains tax cost base. The cost base is typically the cost of acquisition of the shares, plus any incidental costs. A capital loss is generally calculated as the reduced cost base of the shares less the proceeds on disposal. A capital loss can only be used to offset a capital gain or it may be carried forward to offset capital gains in future years. A capital gain or loss realised by the shareholder will be used to calculate their net capital gain or loss for the year.

If the Australian shareholder is an individual or a complying superannuation entity then, so long as the shareholder has held the shares for more than twelve (12) months, the shareholder will be entitled to reduce the nominal capital gain by the relevant “discount percentage” under subdivision 115-B of the 1997 Act. The “discount percentage” is 50% for an individual and 33 1/3% for complying superannuation entities. Company shareholders are not entitled to the capital gains discount. Where the shareholder is a trust or a partnership, the discount percentage may flow through to individuals and complying superannuation entities that are beneficiaries or partners in that trust or partnership.

3. Taxation of Convertible Noteholders in the Company

(a) Debt and Equity Interests

Division 974 of the 1997 Act defines “debt” and “equity” interests for income tax purposes. The Convertible Notes satisfy the definition of an equity interest on the basis that the notes may convert to shares in the Company. The Convertible Notes will also satisfy the definition of a debt interest where the maximum performance period is not more than 10 years and it is substantially more likely than not that the financial benefit to be provided by the Company will be at least equal to the financial benefit the Company receives.

Where an interest satisfies both the debt and equity interest definition, the interest will be treated as a debt interest. We believe this will be the case for the Company.

(b) Interest paid to Australian Convertible Noteholders

Interest paid by the Company will need to be included by the Australian Convertible Noteholders in their assessable income in the year of receipt.

The Australian tax legislation contains provisions which deal with the taxation of certain investments which are “qualifying securities”. Broadly, a qualifying security is one which pays a return other than periodic interest. Investors who hold a qualifying security are required to account for the discount or deferred income derived from the security on an annual accruals basis rather than on a receipts basis.

Since the Convertible Note to be issued by the Company is redeemable at its face value and pays a return by way of periodic interest, it should not constitute a qualifying security. As a result, interest on the Convertible Note should only be assessable on a receipts basis.

(c) Sale or Transfer of Convertible Notes prior to Conversion

Where an Australian Convertible Noteholder in the Company sells or transfers their Convertible Notes prior to conversion, they may realise an assessable gain under Section 26BB of the Income Tax Assessment Act 1936 (“1936 Act”) or a deductible loss under Section 70B of the 1936 Act (subject to certain limitations).

(d) Conversion of the Convertible Notes to Shares and the Subsequent Sale of those Shares

The Convertible Noteholder will be taken for Capital Gains Tax purposes to have acquired the shares on the date the Convertible Note is converted to shares. Where Australian Convertible Noteholders convert their Convertible Notes to ordinary shares, any gain or loss made from converting the Convertible Note is disregarded for income tax purposes at that time.

Where the Australian Convertible Noteholder subsequently disposes of the shares that they received in the Company following the conversion of their Convertible Note, they may realise a gain or loss for income tax purposes.

A capital gain is generally calculated as the proceeds on disposal of the shares less the capital gains tax cost base. The cost base for capital gains tax purposes of the shares following the conversion will be the cost base of the Convertible Note, which will generally include:

- the cost of acquisition of the Convertible Note, plus any incidental costs, and
- any amount paid to convert the Convertible Note to ordinary shares.

A capital loss is generally calculated as the reduced cost base of the shares less the proceeds on disposal. A capital loss can only be used to offset a capital gain or it may be carried forward to offset capital gains in future years. A capital gain or loss realised by the shareholder will be used to calculate their net capital gain or loss for the year.

If the Australian shareholder is an individual or a complying superannuation entity then, so long as the shareholder has held the shares for more than twelve (12) months following the conversion of their Convertible Note, the shareholder will be entitled to reduce the nominal capital gain by the relevant “discount percentage” under subdivision 115-B of the 1997 Act. The “discount percentage” is 50% for an individual or 33 1/3% for complying superannuation entities. Company shareholders are not entitled to the capital gains discount. Where the shareholder is a trust or a partnership, the discount percentage may flow through to individuals and complying superannuation entities that are beneficiaries or partners in that trust or partnership.

(e) Redemption of Convertible Notes

Where an Australian Convertible Noteholder in the Company has their Convertible Note redeemed, they may realise an assessable gain under Section 26BB of the 1936 Act or a deductible loss under Section 70B of the 1936 Act (subject to certain limitations).

4. Tax File Numbers

An Australian Investor need not quote a Tax File Number (“TFN”) when applying for shares or a Convertible Note. However, if a TFN is not quoted, or no appropriate TFN exemption information is provided, tax is required to be withheld by the Company from any unfranked dividends or interest income paid at the highest marginal rate plus medicare levy (currently 48.5%), unless the Investor is specifically exempt from the TFN provisions.

Under the Pay As You Go (“PAYG”) regime, Australian Investors who hold their shares or Convertible Notes as part of a business may quote their Australian Business Number instead of their TFN.

5. Goods and Services Tax (“GST”)

The transactions undertaken by Australian Investors, such as distributions and the purchase and sale of shares and Convertible Notes are financial supplies and should not be subject to the GST. We note in relation to the purchase and sale of shares, Investors will often incur brokerage or similar fees, most of which will have GST included in the price. Generally, it is unlikely an Investor will be eligible to claim this GST back as an input tax credit, meaning the cost of brokerage will directly increase as a result of the GST.

The Company will be an input taxed financial supplier. This means the Company cannot obtain an input tax credit on acquisitions it makes. However, the Company may be entitled to claim a reduced input tax credit of 75% of the GST in respect of certain acquisitions, such as advisor referral fees, trailing adviser fees, performance fees and management fees.

Disclaimer

The information contained in this summary is of a general nature only and the taxation implications associated with an investment in the Company will depend upon the tax profile of each Investor. Investors should therefore obtain independent taxation advice before investing in the Company.

Ernst & Young's involvement is limited to the preparation of this summary and reviewing tax related content of the Information Memorandum. None of the partners of Ernst & Young have any interest in the promotion of the investment. This opinion does not constitute an endorsement of the investment or recommendation by Ernst & Young of any participation in the Company by an intending Investor. Ernst & Young gives no assurance or guarantee in respect of the successful operation or performance of the investments described in the Information Memorandum.

We have provided consent for the inclusion of this taxation summary in the Information Memorandum. This consent has not been withdrawn at the date of this summary.

This advice is confined to taxation issues and is only one of the matters that must be considered when making a decision to invest in the Company.

Under the Corporations Act, the taxation advice provided in this summary is not required to be provided by a holder of an Australian Financial Services Licence (AFSL).

For this reason, you should consider taking advice from a holder of an AFSL before making a decision on investing in the Company.

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Ernst & Young



Steven Porges
Partner

SECTION TEN

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MATERIAL CONTRACTS

INVESTMENT MANAGEMENT AGREEMENT

The Company will enter into an Investment Management Agreement with the Manager as its exclusive agent to invest and manage the Company's Investment Portfolio. The Investment Management Agreement will contain, amongst others, the following terms:

Responsibilities

Responsibilities of the Manager:

1. ensuring the Company is provided with all necessary administrative services;
2. selecting, investing and managing the Investment Portfolio within the investment mandate set by the Investment Management Agreement;
3. selecting, appointing and reviewing the performance of any agent of the Manager in connection with the Investment Portfolio;
4. keeping the Investment Portfolio under review and conferring at regular intervals with the Company regarding the investment and management of the Company's Investment Portfolio;
5. ensuring the Manager at all times maintains adequately qualified and skilled staff to perform investment management functions;
6. reporting to the Company any breaches of the Investment Management Agreement;
7. acting at all times with due care and responsibility to the Company; and
8. complying with any reasonable requests for information or assistance from any auditor appointed to conduct an audit of the Investment Portfolio or the Company.

Powers Of The Manager

The Manager has all of the powers of a natural person to deal with the Company's Investment Portfolio and to do all things and execute all documents necessary for the purpose of managing the Company's Investment Portfolio. Without limiting the foregoing, the Manager has the power to appoint and replace administrators, custodians and sub-advisers.

Indemnity Of Manager

Except for its own fraud, willful violation of law, gross negligence or breach of duty, where the Manager properly and in good faith performs its duties or exercises its powers in accordance with the Investment Management Agreement and the Corporations Act, then it is not personally liable and is irrevocably indemnified by the Company against any claim, action, damage, loss, liability, costs, expenses or payments which the Manager incurs or is liable for arising from anything which it as manager of the Investment Portfolio does or fails to do.

Rights Of The Manager

1. to receive fees for the performance of investment management functions;
2. to perform similar services for other parties;
3. to buy, sell or recommend investments for the Company while also recommending them to other parties;
4. to appoint and use agents and brokers in the course of managing the Company's Investment Portfolio; and
5. to delegate its rights, powers and duties to a related body corporate, for whose acts and omissions it will be liable.

Fees

The Manager will be entitled to receive an investment management fee of 1.5% per annum (plus any applicable GST) of the value of the Investment Portfolio of the Company, calculated and payable monthly in arrears.

The Manager will also be entitled to a performance fee of 10% (plus any applicable GST) of any out-performance of the Company's Net Investment Portfolio over a 15% per annum Hurdle Rate of Return. The performance fee calculation will also take into account any distributions made to shareholders during the relevant Calculation Period.

The Performance Fee is first calculated on the sixth anniversary of the Commencement Date for the first six year period (First Calculation Period) and then on the 31st December of each year thereafter for each subsequent Calculation Period.

No Performance Fee will be payable prior to the expiry of 6 years from the Commencement Date (unless the Manager is removed before that date).

Once the first Performance Fee is paid, the performance fee will be calculated on a yearly basis thereafter and paid only if the Hurdle Return for the relevant Calculation Period is exceeded.

Any under performance from a previous Calculation Period must be made up before any new Performance Fee can be paid.

The Performance Fee will be 10% of the additional return of the Net Investment Portfolio, having accounted for distributions paid to shareholders, over the Hurdle Return for each Calculation Period and will be calculated in accordance with the following:

$$\text{Performance Fee} = 10\% \times A$$

Where

$$A = \text{NIP}_e + D - \text{HR}$$

$$\text{HR} = \text{NIP}_b \times (1.15)^n$$

A = additional return of the Net Investment Portfolio (taking into account distributions to shareholders) above the Hurdle Return for the relevant Calculation Period

D = the sum of all distributions to Shareholders including dividends and franking credits, over the relevant Calculation Period

HR = Hurdle Return

NIP_b = Value of Net Investment Portfolio on the first day, or the beginning, of the relevant calculation period.

NIP_e = Value of Net Investment Portfolio on the last day, or the end, of the relevant calculation period.

n = number of years and / or part years from the first day to the last day (inclusive) of the relevant Calculation Period

Should the Performance Fee calculation detailed above result in a zero or negative number for any Calculation Period then no Performance Fee shall be paid at that time. In that case the Performance Fee calculation at the next Calculation Date shall be determined over a Calculation Period that extends from the beginning of the Calculation Period for which the Hurdle Return was not achieved to the new Calculation Date.

In the calculation of the Performance Fee for any Calculation Period, changes in the value of the Portfolio as a result of the issue of securities by the Company, capital reductions by the Company and share buy-backs by the Company will be adjusted in a manner to be determined by the Company at the conclusion of that Calculation Period.

The Performance Fee calculation including such adjustments described above will be reviewed by the auditor prior to any Performance Fee payment.

The Performance Fee will be paid in two equal six monthly installments following the relevant Calculation Period on the 31st January and the 31st of July of each year.

Term

The Investment Management Agreement will be for a period of 10 years commencing on the Commencement Date unless terminated earlier. The term will automatically be extended for further 5 year periods on the same terms or other terms agreed by the Company and the Manager.

If the Investment Management Agreement is extended beyond the first 10 year term, the Company may terminate the agreement at any time after a further 5 years by giving at least 3 months written notice to the Manager after a special resolution of the Company is passed to end it.

Termination

The Manager will be entitled to terminate the Investment Management Agreement:

1. at any time after 8 years after the Company has been admitted to ASX on 6 months prior written notice to the Company; or
2. with immediate effect on written notice to the Company, if an insolvency event occurs in respect of the Company.

The Company will be entitled to terminate the Investment Management Agreement with immediate effect on written notice to the Manager if:

1. an insolvency event occurs in respect of the Manager;
2. the Manager is in material breach of its obligations under the Investment Management Agreement and the breach is not capable of rectification or has not been rectified within 30 days of the Company notifying the Manager of the breach;
3. at any time after 8 years after the Company has been admitted to ASX on 6 months prior written notice notify the Manager in writing of its intention to amend the Investment Guidelines (as defined). If the Manager is unable to comply with the Investment Parameters as proposed to be amended, it must notify the Company no later than one month before the expiry of the 6 month notice period referred to above. Upon receipt of such notice from the Manager the Company must either:
 - a. withdraw the proposed amendment; or
 - b. further amend the Investment Parameters and notify the Manager of the proposed amendments; or
 - c. terminate the Investment Management Agreement on six months notice,in which case the initial proposed amendment will have no effect.

Effect Of Termination

The Manager must transfer control of the Company's Investment Portfolio to the Company or as the Company may otherwise direct immediately on termination of the Investment Management Agreement.

The Manager may deal with the Company's Investment Portfolio for a period of 60 days following the termination of the Investment Management Agreement in order to effect the transfer of control and will be entitled to receive accrued Fees in respect of such period together with all reasonable expenses incurred during such time.

Removal Of Manager

The Company may remove the Manager on one month's written notice if any of the following occur:

1. an insolvency event occurs in respect of the Manager;
2. the Manager is in material breach of its obligations under the Investment Management Agreement and the breach is not capable of rectification or has not been rectified within 30 days of the Company notifying the Manager of the breach; or
3. the Manager's AFSL is cancelled or suspended and not re-granted within 60 days of suspension.

Termination Fee

Except for its own fraud, willful violation of law, gross negligence or breach of duty, the Manager will be entitled to termination fees if it is removed from its position as manager of the Investment Portfolio, to be calculated as follows:

1. if the date of removal occurs within six years from the Commencement Date:
 - a. the management fee that would have been payable for the next 18 months; and
 - b. if the Net Investment Portfolio of the Company has out-performed the Hurdle Rate of Return as at the date of the termination (notwithstanding that six years has not elapsed since appointment) then 10% of the out-performance over the Hurdle Rate of Return; or
2. if the date of removal occurs six years or more from the Commencement Date, the management fee that would have been payable for the next 12 months plus any Performance Fees due as calculated for an amended Calculation Period ending on the date of termination.

Assignment

Neither party may assign its rights and interest under this Agreement without the prior written agreement of the other party, which may not be unreasonably withheld.

Intermediary Authorisation Agreement

The Company has also entered into a non exclusive Intermediary Authorisation Agreement with the Manager on standard terms, under which the Manager agrees to arrange for the issue, variation or disposal of Securities by the Company.

CONVERTIBLE NOTE AND SECURITY TRUST DEED

Once the minimum subscription for the Offer (as described in the Offer Summary of this Information Memorandum) is achieved, the Company will enter into a Convertible Note and Security Trust Deed ("Trust and Security Deed") with Permanent Trust Company Limited ("Trustee") as trustee for Convertible Noteholders.

Permanent

Permanent is a member of the Trust Group of Companies. Trust Company of Australia Limited is the parent company of the Trust Group of Companies. It is listed on the Australian Stock Exchange

and provides specialist financial services to intermediaries, institutions, and individuals relating to the safeguarding of assets.

Trust Group through its corporate services division, has over \$100 billion of assets under administration, and is the largest property, mortgage and infrastructure custodian in Australia. It is also Trustee for over 40% of unsecured notes issues listed on the Australian Stock Exchange.

Disclaimer

The Trustee does not guarantee the return of any investment, any tax deduction availability or the performance of the Convertible Notes. The information contained in this Information Memorandum is not a recommendation by the Trustee that any person acquire Convertible Notes.

Any person contemplating the purchase of Convertible Notes should make, and shall be taken to have made, their own independent investigation of the financial condition and affairs, and their own appraisal of the creditworthiness of the Company and the Protection Assets supporting the Convertible Notes.

Each potential Investor should determine for himself or herself whether to purchase or otherwise acquire any of the Convertible Notes described in this Information Memorandum, based on such documentation and information as it shall deem appropriate at the time.

Face Value

Each Convertible Note has a face value of \$1,000.00.

Coupon

A 2% Coupon will be payable by the Company on the Convertible Notes, annually in arrears. Any outstanding Coupon due and payable at conversion will be paid out by the Company upon conversion. Any accrued but unpaid Coupon owing at Conversion will be taken into account within the Conversion Formula.

Issue and Purchase

A Convertible Note will be issued when the name of the relevant person is entered in the register.

The Company will pay to each Convertible Noteholder the amount due and payable in respect of their Convertible Notes in accordance with the Trust and Security Deed and the terms and conditions of the Convertible Notes.

The Company may purchase or otherwise deal with any Convertible Notes. All unmatured Convertible Notes purchased by the Company may be cancelled or resold despite any rule of law or equity to the contrary. The Company may withdraw an Offer to issue Convertible Notes.

Transfer

A Holder may only transfer a Convertible Note in whole and not in part and only with the prior written consent of the Company. All transfers of Convertible Notes must be in a prescribed form.

Conversion

Each Convertible Note can be converted into Shares of the Company on the First Conversion Date and on each subsequent Conversion Date in accordance with the process detailed in Section 5. Shares issued upon conversion of the Convertible Notes will rank equally with the other Shares then on issue.

Redemption

Convertible Notes not previously converted, will be automatically redeemed on the Protection Effective Date. Upon redemption the Company shall pay Convertible Noteholders, who were registered as Convertible Noteholders as at the Protection Effective Date, the Protection Amount of the Convertible Notes that were automatically redeemed on the Protection Effective Date.

Voting

The Convertible Notes do not have any voting rights. Shares issued upon conversion of the Convertible Notes will carry the same voting rights as other Shares on issue.

Quotation

The Convertible Notes will not be listed or quoted on ASX.

Minimum Holding

The minimum holding of Convertible Notes is \$50,000. If at any time your holding is less than this minimum, the Company may mandatorily convert the balance of your Convertible Note holding into Shares.

Restructures

If the Share capital of the Company is restructured (including by way of a stock split, consolidation or buy back) then the Convertible Notes will be restructured in a similar manner (in accordance with the procedures set out in the ASX Listing Rules as if the Company were listed).

Participation

If the Company undertakes a rights issue of Shares at any time after 3 years from the Commencement Date, Convertible Noteholders will be given 30 days notice of the event, so that they may convert their Convertible Notes to Shares to be able to participate in the rights issue. Convertible Noteholders who have not converted prior to a rights issue will not have the right to participate in the rights issue.

Rights And Obligations Of Trustee

The rights and obligations of the Trustee in its capacity as trustee, including its statutory obligations, will be set out in the Trust and Security Deed.

The Trustee is not obliged to take any action unless it is placed in funds or indemnified to its reasonable satisfaction in respect of any liabilities which may arise from it taking that action, and any potential liability in taking that action is limited in a manner which is satisfactory to the Trustee in its absolute discretion.

Under the intended Trust and Security Deed, a charge over certain assets of the Company will be granted to the Trustee as security for payments to be made by the Company to Noteholders (Secured Property). The charge will be a fixed charge over the Protection Assets held by the Company.

Limited Recourse

The Trustee's liability in respect of the Convertible Notes and its role as trustee is limited to the property received by the Trustee for and on behalf of the Company (subject only to payments, deductions and withholdings by the Trustee as authorised by the Trust and Security Deed), excluding liability arising from the Trustee's fraud, gross negligence or wilful default, or where the Corporations Act provides otherwise.

Removal And Resignation Of Trustee

The Convertible Noteholders may, by extraordinary resolution, remove the Trustee.

The Trustee must immediately retire if an insolvency event has occurred in respect of it in its personal capacity. However, the Trustee's appointment will not cease until an approved replacement trustee has been appointed by the Company.

Fees Indemnities and Expenses

The Trust and Security Deed will provide that the Trustee will be paid an annual fee in line with industry standards to be agreed upon between the Trustee and the Company from time to time.

The Company will indemnify the Trustee for all costs, charges (including duties, taxes and any fines or penalties) liabilities and expenses incurred by the Trustee in performing its obligations under the Trust and Security Deed except where such amounts arise as a result of the Trustee's fraud, gross negligence or wilful default or that of any attorney, employee, agent or representative of the Trustee.

Event Of Default

Under the Trust & Security Deed an Event of Default occurs if:

- the Company fails to redeem the Convertible Note on the Protection Effective Date; or

- the company enters into an arrangement with its creditors or any class of them or becomes an externally administered body corporate under the Corporations Act.

Consequence Of An Event Of Default

Subject to any waivers by the Trustee, if an Event of Default occurs, then, in addition to the consequences described below, the charge will become enforceable. The Trustee must notify the Company and the Convertible Noteholders and must generally convene a meeting of the Convertible Noteholders to determine what enforcement action is to be taken.

As trustee, the Trustee may take (but is not obliged to take, unless directed by an extraordinary resolution passed at a meeting of Convertible Noteholders or by a circular resolution) any of the following enforcement actions:

- appoint a receiver of the secured property; or
- do anything a receiver could do under the proposed Trust and Security Deed (whether or not a receiver has been appointed); or
- require the Company to act exclusively in accordance with the Trustee's directions in relation to the secured property; or
- take any other action to enforce the charge in respect of the secured property.

After an Event of Default occurs, the Trustee may either hold Protection Assets until redemption or cause for early redemption of the Convertible Notes and Protection Assets (and the Trustee must cause for early redemption of the Convertible Notes and Protection Assets if so directed by an extraordinary resolution passed at a meeting of Convertible Noteholders or by a circular resolution) and pay all monies received or held by it in the following order:

- to pay amounts owing to the Trustee;
- to pay amounts owing to the Convertible Noteholders;
- to pay other amounts owing by the Company (in order of any priority attributed to any types of such indebtedness); and
- any remaining amount is to be paid to the Company.

Payment Obligations

The Company will make payments of interest and principal in the manner described elsewhere in this Information Memorandum. All such payments must be made free and clear of taxes, except withholding or deductions required by law.

AMP CAPITAL INVESTORS LIMITED - SERVICES AGREEMENT

The Company has entered into an Agreement with AMP Capital Investors Limited ("AMP") in respect of the Company's investment, from time to time, in the AMP Capital Enhanced Yield fund ("Enhanced Yield Investment"). Among other things, the Agreement contains the following terms:

1. It is a condition precedent to the operation of the Agreement that the Company raise the minimum aggregate subscription amount referred to in the Offer Summary.
2. AMP agrees to provide investment management and client services to the Company in connection with the Enhanced Yield Investment in accordance with the terms of the AMP Capital Enhanced Yield fund Constitution and Product Disclosure Statement details of which are set out below.
3. In consideration for the investment management services and client services provided to it by AMP, the Company will pay to AMP a base management fee and a performance fee. These fees have been negotiated such that AMP Capital Investors only receives its standard wholesale management fee on the fund when the Company's investments in the fund achieve a return of 3.75% above the Reserve Bank of Australia's official cash rate in any year.
4. AMP warrants that it is authorised to provide the services under the Agreement and that it holds all necessary licences required to perform those services.
5. The Agreement will terminate on the date the Company ceases to hold any units in the AMP Capital Enhanced Yield fund or upon the Company giving AMP not less than 10 business days written notice. The Agreement may also be terminated by AMP if the Company is dissolved or if it considers that the continuation of the Agreement will cause it to contravene any laws including fiduciary duties.

AMP Capital Investors Limited - Enhanced Yield Fund

The Product Disclosure Statement in respect of the Enhanced Yield fund contains the following terms:

1. The AMP Capital Enhanced Yield fund is a managed investment scheme registered under the Corporations Act and structured as a Unit Trust, with AMP as the responsible entity.
2. The AMP Capital Enhanced Yield fund normally invests in a combination of structured high yield debt, corporate debt, hybrid, cash and cash like securities and will use interest rate futures, interest rate swaps and other interest rate derivatives to swap the interest rates received (from securities in the Enhanced Yield Investment) into floating interest rates.
3. There is no intention to gear the AMP Capital Enhanced Yield fund. In normal circumstances, it is proposed that the AMP Capital Enhanced Yield fund will be no more than 100% exposed to market movements after taking into account derivative positions. The AMP Capital Enhanced Yield fund will not be restricted in the amount that it can borrow and it may borrow to meet its short term liquidity needs.
4. The following risks are highlighted in respect of investing in the AMP Capital Enhanced Yield fund:
 - a) the value of any investment may fall;
 - b) the amount of income received through the investment can vary;

- c) the investment may not keep pace with inflation;
 - d) AMP may not be able to achieve the stated aims and objectives for the AMP Capital Enhanced Yield fund;
 - e) other factors that may affect the value of an investment include the state of Australian and world economies, interest rates and inflation, consumer confidence, a company's performance, exchange rate fluctuations, the supply and demand for various investments, changes in government policy, taxation and other laws, and the performance of the investment manager.
5. The AMP Capital Enhanced Yield fund has a number of different classes of units but for the purposes of the investment by the Company, only wholesale units will be used.
 6. Income is usually paid quarterly based on the income earned by the AMP Capital Enhanced Yield fund and the number of units held by an Investor at the end of the period.
 7. Distributions will be paid direct to the Company.

CUSTODIAL AND INVESTMENT ADMINISTRATION AGREEMENT

The Company will enter into a Custodial and Investment Administration Services Agreement with Australian and New Zealand Banking Group Limited ("Custodian"). The services to be provided to the Company under the Custodial and Investment Administration Services Agreement include, amongst other things:

1. the Company's security deposits, Enhanced Yield fund investments and Protection Assets to be held in custody in the name of the Custodian on trust for the Company;
2. Private Equity Assets of the Company to be recorded by the Custodian and held in the name of the Company;
3. maintaining the accounts and records of the Company;
4. tax reporting;
5. quarterly GST reporting;
6. preparing business activity statements;
7. calculating the total value of the Company's assets based on the valuation information it collects regarding each of the Company's assets;
8. for each asset class, maintaining a portfolio, recording all transactional activity and undertaking investment accounting, on either a trade date or settled date basis as required;
9. in relation to Custodial services, the Custodian acts on the instructions of the Company or its appointed Manager in undertaking the purchasing, selling and holding of authorised investments and the receiving, holding and disbursing of VPEG's money;
10. the Custodian will be indemnified by the Company, under the agreement, in relation to the services it properly performs for the Company to the extent that such claim, action, damage, loss or liability does not arise from any fraud, negligence or wilful misconduct of the Custodian or any of its sub-custodians, agents or nominees; and

11. fees will be payable on normal commercial terms;

The Custodial and Investment Administration Services Agreement will be reviewed by the Company not less than annually.

EUROPEAN ADVISER AGREEMENT

The Company and the Manager have entered into an agreement with Robeco Alternative Investments ("Robeco") which details the key terms of an advisory services agreement to be entered into upon completion of the Company's Capital raising, in relation to the Company's proposed European investments. The Advisory Services Agreement will contain, among others, that Robeco will provide the following services:

1. sourcing European deal flow, performing preliminary analysis of potential investment opportunities and providing preliminary investment overviews;
2. performing due diligence on proposed investments, negotiating investment terms, preparing final investment proposals for the Company's consideration and co-ordinating the final investment and documentation;
3. monitoring the cash flow of investee companies, attending investee meetings and supplying the Company with quarterly accounting reports as well as its standard reporting; and
4. updating the Company with monthly conference calls and quarterly written reports on each investment.

The majority of the fees payable to Robeco pursuant to this arrangement will be paid by the Manager in the form of a yearly retainer, with any additional professional fees relating to specific transactions to be paid by the Company.

INTERMEDIARY AUTHORISATION AGREEMENT

The Company has entered into an Intermediary Authorisation Agreement with Cantor Wealth Management (Holdings) Pty Ltd ("Cantor") under which the Company appoints on a non exclusive basis, Cantor (and authorised representatives of Cantor's) to, among other things (and at the Company's concurrence) arrange for the issue, variation or disposal of securities by the Company.

Cantor is Australian owned and domiciled with operations nationally and holds Australian Financial Services Licence (AFSL) No. 289080.

In consideration for the provision of services to be provided by Cantor under this agreement and subject to an aggregate subscription amount for the Offer of at least \$30,000,000 being achieved, the Company will issue, within 15 days of the Commencement Date, 600,000 Options (Lead Advisor Options) to Cantor. Each Lead Advisor Option will entitle Cantor to subscribe for 1 Share, at an exercise price of \$1.50, at any time between 4 and 7 years following the Commencement Date.

Additionally Cantor shall be paid any applicable Advisor Referral Fee and Trailing Advisor Fee and be issued any applicable Advisor Referral Options as detailed in Section 8 of this Information Memorandum.

REGISTRY SERVICES AGREEMENT

The Company has entered into a Registry Services Agreement with Computershare Investor Services Pty Limited ("Computershare") to provide Share and Convertible Note registry services for the Company and other administrative services. The agreement will be reviewed by the Company not less than annually. The various services to be provided to the Company include, amongst other things:

1. processing subscriptions, transfers, buy backs and dividends and Coupons for the Company;
2. distributing information to Shareholders and Convertible Noteholders; and
3. maintaining the registers of Shareholders and Convertible Noteholders for the Company.

Fees payable by the Company to Computershare are on normal commercial terms.

CONSTITUTION

The Constitution establishes the Company and governs the rights and obligations of the Shareholders. Shareholders of the Company are bound by the provisions of the Constitution. The Constitution, the Corporations Act and other Corporations Regulations regulate the operations of the Company and set out the rights and liabilities of Shareholders and the responsibilities and duties of the Directors. If there is any inconsistency between the terms of this Information Memorandum and the Constitution, the later shall prevail.

Share Capital

Unless otherwise determined in accordance with the Company's Constitution, the Share capital of the Company will be comprised of ordinary shares. Each Share has the right to cast a vote in any meeting of Shareholders.

Issue Price

The initial issue price for Shares in the Company is \$1.00, and thereafter, as determined by the Company's Directors.

Transfers

You can transfer Shares in the Company to another person. To transfer your Shares you must:

1. deliver to the Company a transfer notice in the form approved by the Directors. The transfer must be executed by the transferor and transferee and, if necessary, stamped to indicate that stamp duty has been paid;
2. deliver to the Company any other document required by the Company or any law; and
3. pay any relevant costs and disbursements.

Dividend Policy

It is the intention of the Company to pay dividends to Shareholders at a level sufficient for those dividends to be fully franked as soon as reasonably practical. Dividends will be franked to the extent that available imputation credits permit. The Company however cannot give any assurance as to the future levels of dividends, if any, or of the franking of those dividends.

Issue Of Further Shares

Without affecting any special rights previously conferred on the holders of any existing Shares, but subject to the Corporations Act, Shares or options over Shares in the Company may be issued by the Company after the Commencement Date. Any such Share may be issued with any preferred, deferred or other special rights or any restrictions, with regard to dividends, voting, return of capital, or otherwise, that the Company Directors, subject to any resolution of the Company, may decide and existing class rights.

General Meetings

Each Shareholder is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices and other documents required to be sent to Shareholders under the Company's Constitution or the Corporations Act.

BOARD OF DIRECTORS

The Company will be constituted with its own board of directors. The directors will be responsible for ensuring that investment parameters are adhered to and providing advice to the Manager on investment selection, portfolio construction and risk management.

The minimum number of the Company Directors is three and the maximum number is eight, however the number of the Company Directors may be varied by an ordinary resolution in a general meeting. The Manager is entitled to appoint two directors to the Board of the Company provided that at all times the majority of the directors of the Company are independent of the Manager. The Company's Directors will be subject to retirement by rotation and re-election by Shareholders in a general meeting. No person may remain a Director of the Company for more than three years following the Listing of the Company on the ASX, without re-election by Shareholders in a general meeting.

Where the Directors appoint a director (for example, to fill a casual vacancy), that director will hold office until the conclusion of the next annual general meeting and will be eligible for re-election at that meeting. Section 6 provides further details about the Board of Directors.

Chairperson

The Board may designate any the Company's Directors who consent, to be the chairperson of the Board of the Directors. The Initial Chairman of the Board will be Rod McGeoch AM.

Remuneration Of Directors

Each Non Executive Director is entitled to remuneration from the Company for his or her services as a director, as the Directors decide, but the total amount provided to all Non Executive Directors for their services must not exceed in aggregate, in any one financial year, the amount initially fixed by the Company or in a general meeting of the Company. The initial aggregate fee to be paid to Non Executive Directors will be capped at a total of \$250,000 per annum. The aggregate fee will increase in line with CPI on an annual basis. Should the Directors seek to increase the aggregate fee by more than 5% per year then Shareholder approval will be required.

Directors are entitled to be paid all traveling costs and other expenses they incur in attending to the Company's affairs, including attending general meetings. If a Director performs extra services or makes special exertions, the Directors may cause that Director to be paid special or additional remuneration from the funds of the Company as the Directors decide is appropriate having regard to the value to the Company of the extra services.

Executive Directors who are also employees of the Manager will not receive Director Fees from the Company. The Manager will receive fees in accordance with the Investment Management Agreement described earlier.

Indemnity and Insurance

In accordance with the Company's Constitution and to the extent permitted by the Corporations Act:

1. the Company will indemnify the Directors and officers on a full indemnity basis and to the full extent possible permitted by law against all losses, liabilities, costs charges and expenses incurred by the officer as an officer of the Company or a related body corporate; and
2. the Company may, to the extent permitted by law, purchase and maintain insurance, and pay or agree to pay a premium of insurance for each officer against any liability incurred by the officer as an officer of the Company or a related body corporate including but not limited to a liability for negligence or for reasonable costs and expenses incurred in defending proceedings. In addition, it is intended that the Company and each Director will enter into a deed which gives the Director a contractual right:

- a. to an indemnity from the Company for liabilities incurred as an officer of the Company, to the extent permitted by the Corporations Act;
- b. to directors' and officers' insurance cover, as permitted in the Corporations Act, for the period that each Director is a director of the Company and for 7 years after that Director ceases to hold office; and
- c. to access documents and records of the Company both while the Director is a director of the Company and after that Director ceases to hold office for the purposes expressly permitted by the deed.

Directors' Shareholdings

Other than as set out previously, no Directors had any interest in the securities of the Company immediately prior to the date of the Information Memorandum. At the date of the Information Memorandum, the Company had only two ordinary Shares on issue. Those ordinary Shares are held by the Manager.

The Directors, their nominees and associates may subscribe for Shares under this Information Memorandum.

Directors' Options

Following the Commencement Date the Company will establish a Share Option plan for each Non Executive Director of the Company. The maximum number of options to be issued under the plan, in aggregate across all Non Executive Directors, will be 2.05% of the total dollar value of Securities subscribed for by Investors under the Offer of this Information Memorandum.

The options will be granted to the Non Executive Directors in four equal tranches across the first five years from the Commencement Date and will be exercisable between the end of the third and the end of the sixth year following the Commencement date in accordance with the table below.

Each Non Executive Director must be a current Director of the Company as at each option grant date to qualify for the granting of each option class.

Option Class	% of total	Exercise price	Grant Date (period after Commencement Date)	Period following Grant Date from which the Options can be exercised	Period following Grant Date at the end of which the Options Expire
1	25%	\$ 1.30	15 Days	3 years	6 years
2	25%	\$ 1.60	1 year	3 years	6 years
3	25%	\$ 2.00	3 years	3 years	5 years
4	25%	\$ 2.50	5 years	1 year	5 years

FINANCIAL INFORMATION

The Directors consider that the capital raised from Investors will enable the Company to have sufficient working capital to carry out the Company's objectives as stated in this Information Memorandum.

Proposed Accounting Policy And Notes To Accounts

A summary of significant accounting policies, which will be adopted and applied in preparation of the financial statements of the Company for the year ended 30 June 2006 and subsequent years, is set out as follows:

1. Basis of preparation

The financial statements are a general purpose financial report which will be prepared in accordance with Accounting Standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act.

They will be prepared on the basis of historical costs and, except where stated, will not take into account changing money values or fair values of assets.

2. Investments

On initial recognition investments are measured at their purchase consideration, including costs associated with acquisition of the investment.

Subsequent to initial recognition, investments of the Company are valued at their net market value as at the reporting date. The EVCA and AVCAL have prepared a uniform approach to the method and frequency of marked to market valuations and their adoption by fund managers. As such, interests in Private Equity funds will be valued at amounts advised by the managers of those funds (expected to be in accordance with industry guidelines) unless the Company reasonably believes that those amounts should be adjusted.

The net market value of other assets comprising the Investment Portfolio is determined by reference to the last available market sales price of those securities on the recognised exchange platform through which they are ordinarily traded or as provided by the relevant fund manager with whom investments have been made from time to time.

Non-listed securities are held at their estimated market value less an allowance for realisation costs. Investments are valued continuously and for this reason, cost of sales equals sales revenue when investments are sold. Revaluations are credited directly to the asset revaluation reserve after deducting a provision for potential deferred capital gains tax (where applicable). When Shares, securities and other investments are disposed of, the balance in the asset revaluation reserve relating to the disposed investment is transferred to the capital profits reserve.

3. Revenue recognition

Interest is brought to account on an accruals basis.

Introduction of the Australian Equivalents of International Financial Reporting Standards

The Company will be required to comply with the International Financial Reporting Standards (IFRS) as issued by the Australian Accounting Standards Board. The first financial report to be prepared by the Company under IFRS will be for the half-year ending 30 June 2006. The accounting policies outlined above are consistent with the existing requirements under Australian Accounting Standards. Under the requirements of IFRS, the Company may alter its accounting policies so that fair value adjustments of investments may be recognized directly in the Statement of Financial Performance or continued to be taken directly to a separate component of equity depending on how they are designated by the company. Furthermore under IFRS, any establishment costs of the company will be expensed when incurred.

The company will be required to use a balance sheet liability method for accounting for Income Tax. The most significant impact will be the recognition of a deferred tax asset or liability in relation to any asset revaluations. Under AGAAP, capital gains tax effect of revalued assets are not recognized.

Convertible Note

On initial recognition the Convertible Notes will be measured at gross and recorded as a long term liability. The costs associated with the issuance of the Convertible Notes are capitalized and amortised over the period between issuance and the first date that conversion to Shares becomes available to the Convertible Noteholders. The Convertible Notes will be treated as a current liability in the 12 months prior to redemption.

Performance Fees

Manager Performance Fees will be accrued on a yearly basis, only if the performance criteria are met.

Proceeds Of The Issue

The proceeds of the Offer will be used for investment into opportunities that meet the Company's stated investment objectives as outlined in the Investment Strategy section of this document.

REPORTING TO INVESTORS

Monthly Performance Data

To assist Shareholders to assess the value of their Shares, after the end of each month, the Company will release via its website (www.vpeg.info) a statement of the Net Asset Value Per Share as at the end of the preceding month.

Furthermore the Company will post on its website at the end of each month the conversion amount of Shares that would be received for each Convertible Note if conversion was to occur at that time. However it is important to note that conversion cannot occur until the First Conversion Date.

Quarterly Report

Investors will have access via the website to an Investor report each calendar quarter. This report will contain details of the progress of the investment, as well as important information about their Shareholding. Copies of the quarterly report will be posted to Investors who request it.

Shareholder Statements

Shareholders will receive a Shareholder statement on allotment of Shares.

Dividend Statement

Shareholders in the Company will receive a dividend statement detailing the amount of dividends paid or reinvested.

Financial Reports

Annual audited accounts detailing the financial position and performance of the Company will be sent to security holders within three months of the end of 30 June financial year.

CONSENTS

AMP Capital Investors ("AMP") has given and has not withdrawn its consent to be named in this Information Memorandum, as the Enhanced Yield fund Manager of certain investments of Vantage Private Equity Growth Limited, in the form and context in which it is named.

AMP has not issued or caused the issue of the Information Memorandum and has only been involved in the preparation of the references applicable to AMP. AMP makes no recommendation or warranties as to the completeness or appropriateness of any other information contained within the Information Memorandum.

Australia and New Zealand Banking Group Limited ("ANZ") has given and has not withdrawn its consent to be named in this Information Memorandum, as the proposed Custodian and Investment Administration Services provider of Vantage Private Equity Growth Limited, in the form and context in which it is named.

ANZ has not issued or caused the issue of the Information Memorandum and has only been involved in the preparation of the references applicable to ANZ. ANZ makes no recommendation or warranties as to the completeness or appropriateness of any other information contained within the Information Memorandum.

Cantor Wealth Management (Holdings) Pty Ltd ("Cantor") has given and has not withdrawn, its consent to be named in this Information Memorandum in the form and context in which it is named.

Computershare Investor Services Pty Limited ("Computershare") has given and, as at the date hereof, has not withdrawn, its written consent to be named as Share Registrar in the form and context in which it is named.

Computershare has had no involvement in the preparation of any part of this Information Memorandum other than being named as the Share Registrar to the Company. Computershare has not authorised or caused the issue of, and expressly disclaims and takes no responsibility for, any part of this Information Memorandum.

Permanent Trustee Company Limited ("Permanent") has given and not withdrawn its written consent to be named as the proposed Trustee in this Information Memorandum. The Trustee has not authorised or caused the issue of this Information Memorandum. The Trustee has not been involved in the preparation of any part of the Prospectus. Neither Permanent nor any member of the Trust Group of Companies makes any representations as to the truth or accuracy of the contents of this Information Memorandum other than the parts that refer directly to Permanent. The Trustee does not make any representation regarding or accepting any responsibility for any statements or omissions in or from any other parts of this Information Memorandum.

Other than the parts of this Information Memorandum which refer directly to Permanent or which refer to the provisions of the Trust and Security Deed, Permanent has relied upon the Company for the accuracy of the content of this Information Memorandum. Neither Permanent nor any member of the Trust Group of Companies makes any representations as to the performance of the issue, the maintenance of capital or any particular rate of return.

Robeco Alternative Investments ("Robeco") has given and has not withdrawn its consent to be named in this Information Memorandum, as the proposed European Advisor for Vantage Private Equity Growth Limited, in the form and context in which it is named.

Robeco has not issued or caused the issue of the Information Memorandum and has only been involved in the preparation of the references applicable to Robeco. Robeco makes no recommendation or warranties as to the completeness or appropriateness of any other information contained within the Information Memorandum.

UBS AG, Australia Branch (“UBS”) has given and has not withdrawn its consent to be named in this Information Memorandum, as the Capital Protection Provider to Vantage Private Equity Growth Limited, in the form and context in which it is named.

UBS has not issued or caused the issue of the Information Memorandum and has only been involved in the preparation of the references applicable to UBS. UBS makes no recommendation or warranties as to the completeness or appropriateness of any other information contained within the Information Memorandum.

Vantage Asset Management Pty Limited (“Vantage”) has given and has not withdrawn, its consent to be named in this Information Memorandum as the Manager of Vantage Private Equity Growth Limited, in the form and context in which it is named.

Director’s Consent Each Director has given and not withdrawn their consent to the issue of this Information Memorandum

GLOSSARY

Applicant - a person who submits an Application.

Application - an application for Securities pursuant to this Information Memorandum.

Application Amount - the total cost of securities applied for by Applicants under this information Memorandum, which is equivalent to the Application Price multiplied by the number of Securities applied for.

Application Form - the form attached to this Information Memorandum for applying for Securities.

Application Monies - the money paid by Applicants for Securities under this Information Memorandum.

Application Price or Issue Price - \$1.00 for each Share or \$1,000 for each Convertible Note applied for.

ASIC - the Australian Securities and Investments Commission.

ASX - the Australian Stock Exchange Limited ABN 98 008 624 691.

AVCAL - Australian Private Equity and Venture Capital Association Limited.

Calculation Period - each period of one year (except for the period immediately following the First Calculation Period which may be a part year) following the date which is the 6th anniversary of the Commencement Date provided the Hurdle Return had been exceeded across the previous Calculation Period or First Calculation Period, otherwise each one year (or part year) period plus the previous Calculation Period or First Calculation Period.

Capital Protection Agreement - an agreement to be entered into between the Company and UBS AG Australia Branch the terms of which are summarised in Section 5.

Commencement Date - The date on which the Company issues Securities and commences its investment program which is expected to be within 10 business days of the close of this Offer.

Commitment - The Company's obligation to invest a certain amount of its capital with a Private Equity fund.

Computershare or Registry - Computershare Investor Services Pty Limited ABN 48 078 279 277.

Constitution - the constitution of Vantage Private Equity Growth Limited.

Conversion Date - 31st December, 31st March, 30th June and 30th September of each year following the First Conversion Date and finishing on the last date before the Protection Effective Date, being the dates on which Convertible Notes convert to Shares in the Company, for Convertible Noteholders that have elected to convert their Convertible Notes to Shares.

Convertible Note - a note issued by Vantage Private Equity Growth Limited that provides the holder an option to have allotted shares in the capital of the Company from the First Conversion Date.

Conversion Value per Convertible Note - at any time, the value calculated by adding the market value of the Protection Asset to the proportional share of the Net Investment Portfolio attributable to each Convertible Note less the Convertible Note's share of the Company's initial and ongoing expenses (and any other expenses attributable to the Convertible Notes), less any Coupon Payments made on the Convertible Note up to that time.

Convertible Noteholder - a holder of a Convertible Note.

Corporations Act - The Corporations Act 2001.

Coupon - the annual rate of interest payable on each Convertible Note's Issue Price payable by the Company to Convertible Noteholders annually in arrears.

Directors or Board - the directors (including alternate directors) of Vantage Private Equity Growth Limited.

EVCA - European Venture Capital and Private Equity Association.

European Advisor - Robeco Alternative Investments, a division of Rabobank.

First Calculation Period - the period from the Commencement date to six years from the Commencement Date over which the Manager's Performance Fee is first calculated.

First Conversion Date - the first date, three years from Commencement date, on which Convertible Notes convert to Shares in the Company, for Convertible Noteholders that have elected to convert their Convertible Notes to Shares.

Fund Focus (Investment Stage) - the indicated area of specialization of a Private Equity fund usually expressed as Balanced, Seed, Start Up, Early Expansion, Later Expansion, or Buyout.

Horizon IRR - provides an indication of performance trends in the Private Equity industry. It is calculated by taking the Private Equity fund's net asset value at the beginning of the period as an initial cash outflow and the estimated value of the assets of the fund, net of all fees, at the end of the period as the final cash flow plus any cash actually received into or paid by the fund from or to its Investors in the defined time period (i.e. horizon). The resulting IRR calculation is an effective compounded rate of return per year across the relevant time period.

Investment Committee - the investment committee of the Company, described in Section 6.

Investment Management Agreement - the investment management agreement between the Company and the Manager the terms of which are summarised in Section 10.

Investment Manager, Manager or Vantage - Vantage Asset Management Pty Limited ABN 50 109 671 123.

Investment Portfolio - the total portfolio of investments, including Protection Assets, of the Company from time to time.

Internal Rate of Return or IRR - the IRR is the interim net return earned by Investors in Private Equity funds, from the funds inception date to a stated date. The IRR is calculated as an annualised effective compounded rate of return using monthly cash flows to and from the fund's Investors, together with the estimated value of the assets of the fund net of all fees, at the stated date.

Issue Date - date of issue of the Company's Shares and Convertible Notes.

Issue Price - \$1.00 for each Share or \$1,000 for each Convertible Note issued by the Company.

LIC - Listed Investment Company

Listing - the admission to the Official List of ASX and the quotation of all Shares.

Medium Term - from Listing to eight years from the Commencement Date.

Net Asset Value per Share - at any time, the value of the Net Investment Portfolio attributable to Shares less any liabilities of the Company other than: (i) the Convertible Notes issued by the Company and (ii) the deferred tax liabilities on unrealised gains on the Net Investment Portfolio, calculated in Australian dollars, all divided by the number of Shares of the Company on issue at that time.

Net Investment Portfolio - the Portfolio of Investments, excluding Protection Assets, of the Company from time to time.

Offer - the offer of Shares and / or Convertible Notes to Investors under this Information Memorandum.

Option - an option to acquire a Share in the Company

Pooled Return - the IRR obtained by taking cash flows from inception together with the estimated value of the assets of the fund net of all fees, at the stated date and aggregating them into a pool as if they were a single fund.

Private Equity Allocation - the target allocation of the Company's Net Investment Portfolio to Private Equity investments.

Protection Amount - the amount payable on each Convertible Note issued by the Company, at the Protection Effective Date.

Protection Assets - assets purchased by the Company, which are a senior unsecured obligation of UBS AG, Australia Branch, which is rated AA+ by Standard and Poors, sufficient to pay the Protection Amount, at the Protection Effective Date, of each Convertible Note issued by the Company.

Protection Effective Date - the 10th anniversary of the Issue Date of the Convertible Notes.

Qualified Investor - an Investor who qualifies for an exemption under section 708 of the Corporations Act including:

- a) investors who provide a certificate from a qualified accountant given in the last six months to the effect that the Investor has net assets of at least \$2.5 million or had a gross income for each of the last two financial years of at least \$250,000 per year;
- b) investors who control at least \$10 million;
- c) other Investors who satisfy a relevant category within section 708 of the Corporations Act.

Securities - the same meaning as in Section 761A of the Corporations Act.

Share - a fully paid ordinary Share in the issued capital of Vantage Private Equity Growth Limited.

Shareholder - a holder of a Share.

Top Quartile - comprises funds with an IRR equal to or above the Upper Quartile point. The Top Quartile IRR is a Pooled Return for all the funds ranking as individual performance in the Top Quartile.

Upper Quartile - the IRR that marks line of the lowest performing fund ranked as individual performance in the Top Quartile between first and second quarter returns.

VPEG or Company - Vantage Private Equity Growth Limited ACN 112 481 875.

Vintage Year - the year of fund formation as defined by its first draw down of capital which generally corresponds to the year of its first investment.

Diversify.
Grow.
Outperform.



This Application Form is important. If you are in doubt as to how to deal with it, please contact your stockbroker or professional adviser without delay. You should read the entire Information Memorandum carefully before completing this form. To meet the requirements of the Corporations Act, this Application Form must not be distributed unless included in, or accompanied by, the Information Memorandum.

Broker Code

Adviser Code

A Application for Shares

 x A\$1.00 =

Number of Shares in Vantage Private Equity Growth Limited at \$1.00 per Share

B I/we lodge full Application Money for Shares

 A\$

A Application for Convertible Notes

 x A\$1,000.00 =

Number of Convertible Notes in Vantage Private Equity Growth Limited at \$1,000.00 per Convertible Note

B I/we lodge full Application Money for Convertible Notes

 A\$

C Individual/Joint applications - refer to naming standards overleaf for correct forms of registrable title(s)

Title or Company Name	Given Name(s)	Surname
<input type="text"/>	<input type="text"/>	<input type="text"/>

Joint Applicant 2 or Account Designation
<input type="text"/>

Joint Applicant 3 or Account Designation
<input type="text"/>

D Enter your postal address - Include State and Postcode

Unit	Street Number	Street Name or PO Box /Other Information
<input type="text"/>	<input type="text"/>	<input type="text"/>

City / Suburb / Town	State	Postcode
<input type="text"/>	<input type="text"/>	<input type="text"/>

E Enter your contact details

Contact Name
<input type="text"/>

Telephone Number - Business Hours / After Hours
(<input type="text"/>) <input type="text"/>

F TFN details

TFN of Individual (Securityholder 1)
<input type="text"/>

TFN of Individual (Securityholder 2)
<input type="text"/>

Mark this box with an 'X' if Exemption applies

Type of Exemption

G Cheque details - Make your cheque or bank draft payable to ANZ acf VPEG Limited - Application Account

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

By submitting this Application Form, I/we declare that this application is completed and lodged according to the Information Memorandum and the declarations/statements on the reverse of this Application form and I/we declare that all details and statements made by me/us (including the declaration on the reverse of this Application Form) are complete and accurate. I/we agree to be bound by the Constitution of the Company.

See back of form for completion guidelines

How to complete this form

A Securities Applied for

Enter the number of Securities you wish to apply for. The application must be for a minimum of \$100,000 worth of Securities in accordance with the 'Offer Summary' of this Information Memorandum. Applications for greater than \$100,000 worth of Securities must be in multiples of \$1,000 worth of Securities.

B Application Monies

Enter the amount of Application Monies. To calculate the amount, multiply the number of Securities by the price per Security.

C Applicant Name(s)

Enter the full name you wish to appear on the statement of share holding. This must be either your own name or the name of a company. Up to 3 joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applications using the wrong form of names may be rejected.

D Postal Address

Enter your postal address for all correspondence. All communications to you from the Registry will be mailed to the person(s) and address as shown. For joint Applicants, only one address can be entered.

E Contact Details

Enter your contact details. These are not compulsory but will assist us if we need to contact you.

F TFN Details

Tax File Number/s (TFN), Australian Business Number/s (ABN or Exemption category. For joint applications, two TFN's are required. Collection of TFN's is authorised by taxation law. Quotation of your TFN is not compulsory. Please note however, if you do not quote TFN or relevant exemption, tax will be deducted at the highest marginal rate (plus Medicare Levy).

G Payment

Make your cheque or bank draft payable to ANZ acf VPEG Limited - Application Account in Australian currency and cross it Non Negotiable. Your cheque or bank draft must be drawn on an Australian Bank.

Complete the cheque details in the boxes provided. The total amount must agree with the sum of the amounts shown in boxes marked 'B'.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Pin (do not staple) your cheque(s) to the Application Form where indicated. Cash will not be accepted. Receipt for payment will not be forwarded.

Before completing the Application Form the applicant(s) should read this Information Memorandum to which this application relates. By lodging the Application Form, the applicant agrees that this application for Securities in Vantage Private Equity Growth Limited is upon and subject to the terms of the Information Memorandum and the Constitution of Vantage Private Equity Growth Limited, agrees to take any number of Securities that may be allotted to the Applicant(s) pursuant to the Information Memorandum and declares that all details and statements made are complete and accurate. It is not necessary to sign the Application Form.

Lodgement of Application

Application Forms must be received at the Sydney office of Computershare Investor Services Pty Limited by no later than 5:00pm (AEST) on 28 April 2006. Return the Application Form with cheque(s) attached to:

Vantage Private Equity Growth Ltd
c/- Computershare Investor Services Pty Limited
GPO Box 7115
Sydney NSW 2001

OR
Vantage Private Equity Growth Ltd
c/- Computershare Investor Services Pty Limited
Level 3
60 Carrington Street
Sydney NSW 2000

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited ("CIS"), as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or E-mail privacy@computershare.com.au

If you have any enquiries concerning your application, please contact the Computershare Investor Services Pty Limited on 1300 365 991

Correct forms of registrable title(s)

Note that ONLY legal entities are allowed to hold Securities. Applications must be made in the name(s) of natural persons, companies or other legal entities in accordance with the Corporations Act. At least one full given name and the surname is required for each natural person. The name of the beneficial owner or any other registrable name may be included by way of an account designation if completed exactly as described in the examples of correct forms of registrable title(s) below.

009450 - V5

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual - Use given name(s) in full, not initials	Mr John Alfred Smith	J.A Smith
Joint - Use given name(s) in full, not initials	Mr John Alfred Smith & Mrs Janet Marie Smith	John Alfred & Janet Marie Smith
Company - Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
Trusts - Use trustee(s) personal name(s) - Do not use the name of the trust	Ms Penny Smith <Penny Smith Family A/C>	Penny Smith Family Trust
Deceased Estates - Use executor(s) personal name(s) - Do not use the name of the deceased	Mr Michael Smith <Est John Smith A/C>	Estate of Late John Smith
Minor (a person under the age of 18) - Use the name of a responsible adult with an appropriate designation	Mr John Alfred Smith <Peter Smith A/C>	Peter Smith
Partnerships - Use partners personal name(s) - Do not use the name of the partnership	Mr John Smith & Mr Michael Smith <John Smith & Son A/C>	John Smith & Son
Clubs/Unincorporated Bodies/Business Names - Use office bearer(s) personal name(s) - Do not use the name of the club etc	Mrs Janet Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds - Use the name of trustee of the fund - Do not use the name of the fund	John Smith Pty Ltd <Super Fund A/C>	John Smith Pty Ltd Superannuation Fund

CORPORATE DIRECTORY

Enquiries

If you have any questions concerning the Offer or how to complete and lodge an application, please contact us:

Telephone: 1300 365 991

Further information is also available at www.vpeg.info

Directors

Roderick H McGeoch AM (Chairman)

Patrick Handley

David Smithers AM

Paul Scully

Michael Tobin (Managing Director)

Niek Hoogenhout

Investment Manager

Vantage Asset Management Pty Limited

Level 31

88 Phillip Street

Sydney NSW 2000

European Advisor

Robeco Alternative Investments

Coolsingel 120

3011 AG Rotterdam

The Netherlands

Enhanced Yield Fund Manager

AMP Capital Investors

Level 13, AMP Centre

50 Bridge Street

Sydney NSW 2000

Capital Protection Provider

UBS AG Australia Branch

Level 25, Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Custodian and Investment Administration

Australia and New Zealand Banking Group Limited

Level 25

530 Collins Street

Melbourne VIC 3001

Share Registry

ComputerShare Investor Services Pty Limited

60 Carrington Street

Sydney NSW 2000

Auditor

Ernst & Young

The Ernst & Young Centre

680 George Street

Sydney NSW 2000

Solicitors to the Offer

Deacons

1 Alfred Street

Circular Quay

Sydney NSW 2000

VANTAGE PRIVATE EQUITY GROWTH LIMITED

ACN 112 481 875

15th May 2006

Dear Applicant

Vantage Private Equity Growth Limited – Offer of Shares

Thank you for your interest in becoming a Shareholder of Vantage Private Equity Growth Limited (VPEG or Company) pursuant to the Information Memorandum dated 30 January 2006. Terms used in this letter have the meaning set out in the Information Memorandum.

This letter provides supplementary information to VPEG's Information Memorandum dated 30 January 2006. This letter and the Information Memorandum must be read together. To the extent of any inconsistency between this letter and the Information Memorandum, this letter prevails.

Application Acceptance

It is with pleasure that I advise you that on the 8th May 2006 the board of VPEG resolved to accept the current level of applications and commitments to invest in the Company and commence the investment program.

Therefore, VPEG propose to issue at least \$15m of Shares (First Close) to subscribers who have applied for Shares and implement a rolling monthly close to allow further Shares to be issued on the basis set out below.

The proposed variations to the Information Memorandum are outlined below.

Introduction of a Rolling Monthly Close

To accommodate additional interest the board has resolved to implement a rolling monthly close for the Offer. As a result, following the First Close, the Company will accept further applications and issue further Shares on a monthly basis, to additional applicants, thereafter.

The rolling monthly close will continue until the earlier of 31 January 2007 or when the aggregate quantum of capital raised by the Company is \$50m (or such other number as the Board resolves to accept in accordance with the Offer), at which time the Company will close the current Offer. All investors who apply for Shares during this period will also receive the Share Subscriber Options, as detailed in the Information Memorandum, at the time of issue of their Shares.

Pro Rata Establishment and Board Fees

In order to ensure that no Shareholder is adversely affected by this amendment, the Company will pro rata all establishment and board fees across initial and subsequent Shareholders until the Offer is closed. Where the Offer is finally closed without having reached the Minimum Subscription Amount, Vantage Asset Management Pty Ltd (AFSL 279186) (Manager) will be responsible for the amount of any shortfall in establishment fees with the aggregate of initial and ongoing board fees to remain at a pro rata level.

The effect of this pro rata will be that the proportion of establishment and board fees incurred will remain at the per Share level originally provided for in the Information Memorandum.

Retention of Benefits

Additionally the price of the Shares to be issued on a monthly basis after the First Close will be determined by taking into account the value of the Net Investment Portfolio at the end of each month and the number of Shares previously issued. As such earlier Shareholders will retain a pro rata benefit of any increases in the value of the Net Investment Portfolio that occurs prior to the issue of subsequent Shares.

Board Variation

Finally, to accommodate the initial commencement subscription amount the composition of the board has been varied. Continuing independent, non executive directors are Rod McGeoch AM (Chairman), Pat Handley and Paul Scully with Michael Tobin and Niek Hoogenhout from the Manager.

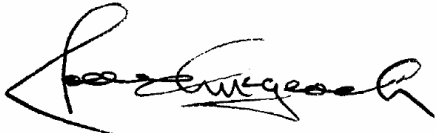
Your Acknowledgement is Required

Please acknowledge your consent to the amendments specified in this letter by completing and signing where indicated below. Once signed please return to your advisor, along with your application to invest in VPEG, to allow the completion of your application.

Thank you for your support and we look forward to welcoming you as a Shareholder of Vantage Private Equity Growth Limited.

Yours Sincerely

Signed by Applicant;



Rod McGeoch AM
Chairman

Signature.....

Name (print).....

Name of entity
shares to be held in.....

.....