

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

HFA Holdings Limited

ABN

47 101 585 737

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | |
|---|--|
| <p>1 +Class of +securities issued or to be issued</p> | <p>Convertible Notes
Options
Performance Rights</p> |
| <p>2 Number of +securities issued or to be issued (if known) or maximum number which may be issued</p> | <p>75 Convertible Notes
31,250,000 Options
7,968,935 Performance Rights
(All figures on a post-consolidation basis)</p> |
| <p>3 Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)</p> | <p>Convertible Notes are subject to the terms outlined in the Notice of Meeting and Explanatory Memorandum dated 20 January 2011 and have a conversion price of US\$0.9766 per Ordinary Share (on a post-consolidation basis). They are convertible by the Holder at any time and by the Issuer in certain circumstances after the first 4 years. Mandatory conversion occurs at the end of the 8 year term.</p> <p>Options are subject to the terms outlined in the Notice of Meeting and Explanatory Memorandum dated 20 January 2011, have an exercise price of A\$8.00 (on a post-consolidation basis) and expire on the 8th anniversary of their issue.</p> |

+ See chapter 19 for defined terms.

Each Performance Right is a right to one fully paid Ordinary Share upon specific performance hurdles being achieved over the relevant measurement period. The Performance Rights granted to Lighthouse employees are subject to the HFA Employee Performance Rights Plan and a vesting condition requiring Lighthouse, on a stand-alone basis, to achieve a minimum EBITDA condition in any trailing 12 month period ending on or before 31 December 2013, with vested Performance Rights being exercisable for 1 year after vesting. The Performance Rights granted to Mr Young are subject to the terms outlined in the Notice of Meeting dated 29 October 2010 and vest in multiple tranches over a period of 5 years according to a combination of hurdles based on volume-weighted average price (VWAP) thresholds, EBITDA and Funds under Management (FUM) targets, achievement of strategic objectives, Earnings per Share absolute compound growth (EPS) targets and relative Total Shareholder Return (TSR) ranking, with vested Performance Rights being exercisable for 1 year after vesting.

4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Ordinary shares issued under Convertible Notes, Options or Performance Rights will rank equally with other ordinary shares from the date of issue, provided that an Ordinary Share issued pursuant to the exercise of:

- a Convertible Note - will not participate in a dividend where the conversion date occurs after the record date for the dividend;
- an Option - is only entitled to receive a dividend where the Option is exercised and the Ordinary Share issued before the record date for the dividend;
- a Performance Right - will not participate in entitlements which have a record date before the date of issue of the Ordinary Share.

5 Issue price or consideration

- US\$1 million per Convertible Note
- Options issued in consideration of entry into Note Subscription Agreement
- N/A for Performance Rights

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

Convertible Notes and Options issued pursuant to Note Subscription Agreement as outlined in the Notice of Meeting and Explanatory Memorandum dated 20 January 2011. Performance Rights are granted as equity incentives to executives and employees of the HFA group pursuant to the HFA Employee Performance Rights Plan.

+ See chapter 19 for defined terms.

7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Convertible Notes - 7 March 2011 Options - 7 March 2011 Performance Rights - 20 January 2011
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	Number	+Class
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	117,332,543 (post-consolidation approximate figure subject to rounding) – Ordinary Shares

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	75 Convertible Notes 31,250,000 Options 4,000,000 Lighthouse Performance Rights 1,183,432 Retention Incentive Performance Rights (RI Rights) 443,787 Short Term Incentive Performance Rights 375,000 - FY2011 STI Rights 375,000 - FY2012 STI Rights - FY2013 STI Rights Long Term Incentive Performance Rights 295,858 - FY2010 EPS Rights 295,858 - FY2010 TSR Rights 250,000 - FY2011 EPS Rights 250,000 - FY2011 TSR Rights 250,000 - FY2012 EPS Rights 250,000 - FY2012 TSR Rights (All figures on a post-consolidation basis)

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change to dividend policy. Convertible Notes carry participation rights in dividends to the extent exceeding US\$6 million in any financial year.
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A

+ See chapter 19 for defined terms.

13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A

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- 27 If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
- 28 Date rights trading will begin (if applicable)
- 29 Date rights trading will end (if applicable)
- 30 How do +security holders sell their entitlements *in full* through a broker?
- 31 How do +security holders sell *part* of their entitlements through a broker and accept for the balance?
- 32 How do +security holders dispose of their entitlements (except by sale through a broker)?
- 33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional

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- +securities setting out the number of holders in the categories
- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

	Number	+Class
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: Date: 7 March 2011
(Director / Company secretary)

Print name: Joanne Hill

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