

MALLESONS STEPHEN JAQUES

By email

14 December 2004

Ms Herlina Susilo
ASX Trading Market Development
Australian Stock Exchange Limited
Level 6
20 Bridge Street
Sydney NSW 2000
herlina.susilo@asx.com.au

Dear Herlina

Nexus Bonds Limited
Issue of Nexus3 Notes - Collateralised Debt Obligations

We refer to our letter to you of 4 November 2004. In relation to the offer of Nexus3 Notes ("Notes") by Nexus Bonds Limited (ABN 23 101 744 389) ("Nexus"), we confirm the following:

- 1 The offer for the Notes closed on 10 December 2004 at 5.00 pm (Sydney time).
- 2 Nexus has received and accepted valid applications for 350,000 Notes at an issue price of \$100 per Note.
- 3 As a result of the acceptance of applications for 350,000 Notes as noted in paragraph 2 above, the total amount issued will be \$35 million with the result that:
 - (a) the Principal Amount of the Notes will be \$35 million; and
 - (b) the Protection Amount for the Notes will be \$59.1 million.
- 4 In addition, the Maximum Portfolio Size will, as anticipated in the Prospectus, be \$1.5 billion. The Portfolio is required to comply on the Issue Date with all the criteria for its composition described in the Prospectus, including the requirement that all Portfolio Companies must be rated investment grade on that date, except that companies rated BB or BB+ may be included in the Portfolio provided that no more than 10% of the Maximum Portfolio Size may consist of Debt Obligations owed by such companies.
- 5 At a meeting of the Board of the Directors of Nexus on 13 December 2004, the Directors resolved:
 - (a) to approve the allotment of 350,000 Notes on 14 December 2004 in accordance with the allocation schedule;

Level 60 Governor Phillip Tower 1 Farrer Place Sydney NSW 2000 Australia
DX 113 Sydney ABN 22 041 424 954 syd@mallesons.com www.mallesons.com

T +61 2 9296 2000

F +61 2 9296 3999

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- (b) to dispatch holding statements to applicants in accordance with the allocation schedule by no later than Wednesday, 15 December 2004 (confirmation of full dispatch will be provided to ASX); and
- (c) to seek the commencement of trading on ASX of the Notes on Monday, 20 December 2004.

Yours sincerely



Ros Anderson
Senior Associate
Direct line +61 2 9296 2230
Direct fax +61 2 9296 3999
Email ros.anderson@malleasons.com

Greg Hammond
Partner
Direct line +61 2 9296 2487
Email greg.hammond@malleasons.com