

24 September 2010

CHAIRMAN'S ADDRESS

To General Meeting of Shareholders

The purpose of this General Meeting is to seek approval from shareholders for two items of business:

Firstly, to conduct an on-market buy-back of shares of up to 35 million shares in VRL subject to the maximum number of ordinary shares to be bought back not exceeding 11.4 million. I will from now on refer to this proposal as the "**Buy-Back Resolution**".

And secondly, to authorise the variation of the rights attaching to the preference shares through an amendment to the company's Articles of Association so that each preference share will have the same rights as, and effectively convert into, one VRL ordinary share. I will from now on refer to this proposal as the "**Amendment Resolution**".

The Buy-Back Resolution will give VRL the ability to proceed with an on-market buy-back of up to 35 million shares.

The Amendment Resolution will enable VRL to amend its constitution to give preference shareholders the same rights as ordinary shareholders.

It should be noted that the variation of the preference shares into ordinary shares is conditional on VRL buying back at least 11 million shares in VRL, being approximately 6.6 percent of the total number of preference shares and ordinary shares on issue.

VRL reserves the right not to buy back more than the threshold amount of 11 million shares in VRL or not to buy back any shares at all for any reason.

The Buy-back Resolution is conditional on shareholders passing the Amendment Resolution at this general meeting and on preference shareholders also approving what I will from now on call the "**Variation Resolution**" at the preference shareholder meeting to be held immediately following this meeting.

Subject to all the resolutions being approved by shareholders and the buy-back occurring as I have earlier outlined, the effect is that VRL's capital structure will be reorganized so that the preference shares and ordinary shares will be combined into ordinary shares so that there is a single class of shares quoted on the Australian Securities Exchange.

The Company considers that these proposals are consistent with its capital management objective of creating a more efficient capital structure and maximizing value for all shareholders. The Directors believe that these proposals are in the best interests of VRL shareholders and have the support of its major shareholders.

To General Meeting of Preference Shareholders

Subject to the successful poll on the Buy-back Resolution and the Amendment Resolution at the previous General Meeting of shareholders, the purpose of this General Meeting of Preference shareholders is to seek approval from preference shareholders to vary the rights attaching to VRL's preference shares, such that preference shares have the same rights as ordinary shares and the rights attaching to all preference shares are varied and effectively converted into ordinary shares. I have previously referred to this resolution as the "**Variation Resolution**".

As previously outlined at the prior General Meeting just concluded, it should be noted that the variation of the preference shares into ordinary shares is conditional on VRL buying back at least 11 million shares in VRL.

VRL reserves the right not to buy back more than the threshold amount of 11 million shares in VRL or not to buy back any shares at all for any reason.