

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

BELL FINANCIAL GROUP LTD

ABN

59 083 194 763

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).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | <ul style="list-style-type: none">(a) Fully paid Ordinary shares – to be quoted(b) Fully paid A Class shares – not to be quoted(c) Fully paid B Class shares – not to be quoted(d) Fully paid C Class shares – not to be quoted |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ul style="list-style-type: none">(a) 14,580,000 fully paid Ordinary shares(b) 14,580,000 fully paid A Class shares(c) 14,580,000 fully paid B Class shares(d) 14,580,000 fully paid C Class shares |
| 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) | <ul style="list-style-type: none">(a) Fully paid Ordinary shares(b) A, B and C Class shares are issued at \$1.25 per share and will be converted to Ordinary shares over a three year period following 29 September 2008 subject to performance benchmarks being met. |

+ See chapter 19 for defined terms.

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| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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 | <p>(a) Ordinary shares – yes</p> <p>(b) A, B and C Class shares – no, see schedule 1. On conversion to Ordinary shares, the A, B and C Class shares will rank equally with existing Ordinary shares.</p> | | | | |
|--|--|--------|--------|-------------|----------------------------|
| <p>5 Issue price or consideration</p> | <p>\$1.25 per share</p> | | | | |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>The Company is acquiring all of the issued capital of Southern Cross Equities Ltd (SCE). The purchase price is payable to SCE shareholders as to 50% in cash, and as to 50% in BFG shares.</p> | | | | |
| <p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p> | <p>29 September 2008</p> | | | | |
| <p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p> | <table border="1"> <thead> <tr> <th data-bbox="686 1411 989 1478">Number</th> <th data-bbox="989 1411 1283 1478">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1478 989 1700">242,210,523</td> <td data-bbox="989 1478 1283 1700">Ordinary fully paid shares</td> </tr> </tbody> </table> | Number | +Class | 242,210,523 | Ordinary fully paid shares |
| Number | +Class | | | | |
| 242,210,523 | Ordinary fully paid shares | | | | |

+ See chapter 19 for defined terms.

| | Number | +Class |
|---|--|---------------------------|
| 9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable) | 14,580,000 | A Class fully paid shares |
| | 14,580,000 | B Class fully paid shares |
| | 14,580,000 | C Class fully paid shares |
| | 19,793,959 | LTIP Options |
| 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | The Company endeavours to provide fully franked dividends and maintain a minimum dividend payout ratio of 60% of NPAT, subject to general business and financial conditions and other relevant factors | |

Part 2 - Bonus issue or pro rata issue

| | |
|--|--|
| 11 Is security holder approval required? | |
| 12 Is the issue renounceable or non-renounceable? | |
| 13 Ratio in which the +securities will be offered | |
| 14 +Class of +securities to which the offer relates | |
| 15 +Record date to determine entitlements | |
| 16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | |
| 17 Policy for deciding entitlements in relation to fractions | |
| 18 Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | |

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- 19 Closing date for receipt of acceptances or renunciations
- 20 Names of any underwriters
- 21 Amount of any underwriting fee or commission
- 22 Names of any brokers to the issue
- 23 Fee or commission payable to the broker to the issue
- 24 Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of *security holders
- 25 If the issue is contingent on *security holders' approval, the date of the meeting
- 26 Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
- 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?

+ See chapter 19 for defined terms.

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 – **Ordinary fully paid shares only**

(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 +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

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Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

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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

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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)


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

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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: 30 September 2008
(Company secretary)

Print name: A PAUL M VINE

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Schedule 1 – terms of A, B and C Class shares

The A, B and C Class shares in the capital of the Company will have the following rights and no other rights:

- (a) A, B and C Class shares will be converted to Ordinary shares over a three year period from 19 September 2008 subject to certain performance benchmarks being met;
- (b) in the event of a share consolidation, share subdivision or bonus issue of Ordinary shares, or other capital reorganisation with respect to Ordinary shares, each A, B and C Class share will be converted into such number of A, B and C Class shares as determined by BFG's Directors as being fair and equitable to the holders of A, B and C Class shares in the particular circumstances;
- (c) if there is a change of control of the Company, as a result of takeover bid, scheme of arrangement or other analogous event, then A, B and C Class shares held by each shareholder will, on a date determined by the Directors, be converted into Ordinary BFG shares on a one for one basis; and
- (d) each holder will receive the amount of \$0.0001 per share on a winding up, ranking equally with all other classes of shares in the capital of the Company.

The A, B and C Class shares in the capital of the Company will:

- (a) have no voting rights in general meeting;
- (b) have no right to receive dividends of any kind;
- (c) not permit the holder to participate in new issues of capital such as bonus issues and entitlement issues;
- (d) have no right to receive any payment on winding up other than the sum of \$0.0001 per share (ranking equally with all other classes of shares in the capital of the Company) and no right to participate in any return of capital;
- (e) not be quoted on ASX; and
- (f) not be transferable to anyone other than an A, B or C Class shareholder.

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