

MFGA Futures Clients,

MF Global Australia Limited (administrators appointed) - ASX 24 positions

We refer to our communications to you yesterday in relation to your futures trading account with MF Global Australia Limited (administrators appointed) (**MFGA**).

We provide the following further update in respect of ASX 24 positions.

Notice 214/11 was released by ASX Clear (Futures) yesterday in respect of ASX 24 futures positions.

http://www.sfe.com.au/content/notices/2011/notice2011_214.pdf

That notice set out a number of facts relevant to MFGA Futures clients. These include:

1. ASX Clear (Futures) intends to close out the net position held by MF Global UK Limited (administrators appointed) (**MF UK**) (who was the clearing participant for MFGA).

2. ASX Clear (Futures) does not propose to inform the administrators of the outcome of this process until the process is complete.

What this means for you is that:

(a) Your positions with MFGA are also closed out in the books of MFGA. We will use the information to be received from ASX Clear (Futures) as the basis for reflecting the close out of positions in the books of MFGA.

(b) You should consider that you no longer have any effective positions in the market in respect of positions cleared by MF UK.

(c) In respect of Grain and Wool futures we cannot advise you on the comments regarding "reported Open Interest". Your enquiries on this point should be directed to ASX Clear (Futures).

(d) We will not be able to advise clients of the outcome of the process until we receive the relevant information from ASX Clear (Futures). We have not received a firm indication from ASX Clear (Futures) when that information will be available.

We confirm the administrators' previous recommendation that clients should proceed on the basis that their positions have been closed.

Clients who wish to re-establish their positions will need to enter into a client agreement with another ASX 24 participant.

Christopher Campbell
Joint administrator
MF Global Australia Limited (administrators appointed)