

NEXUS YIELD BONDS QUARTERLY REPORT PERIOD ENDED 31 DECEMBER 2004

This quarterly report has been prepared in accordance with and for the purposes of the 2007 Nexus Yield Bond Trust Deed dated 31 October 2002 between Permanent Nominees (Aust.) Limited and Nexus Bonds Limited (“**Company**”) (“**Bond Trust Deed**”) and section 283BF of the Corporations Act. In respect of the quarter ended 31 December 2004, the Directors of the Company report that:

- (a) the Company does not have any subsidiaries;
- (b) the obligations of the Company in respect of the Bonds are not guaranteed by any person;
- (c) there has been no failure by the Company to comply with the terms of the Nexus Yield Bonds (“**Bonds**”) or the provisions of the Bond Trust Deed or Chapter 2L of the Corporations Act during the quarter;
- (d) no event has happened during the quarter that has caused, or could cause, one or more of the following:
 - (i) any amount deposited or lent under the Bonds to become immediately payable;
 - (ii) the Bonds to become immediately enforceable; or
 - (iii) any other right or remedy under the terms of the Bonds or provisions of the Bond Trust Deed to become immediately enforceable;
- (e) no event has occurred during the quarter that materially prejudice:
 - (i) the Company; or
 - (ii) any security or charge included in or created by the Bonds or the Bond Trust Deed;
- (f) there has been no substantial change in the nature of the business of the Company during the quarter;
- (g) the Company has not created a charge where:
 - (i) the total amount to be advanced on the security of the charge is indeterminate; and
 - (ii) the advances are merged in a current account with bankers, trade creditors or anyone else;
- (h) the Company has not deposited money with, or lent money to, or assumed any liability of, a related body corporate during the quarter;

Nexus Deutsche

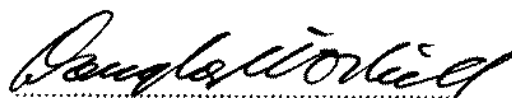
- (i) no Company Event (as described in the Prospectus for the Bonds dated 30 October 2002) has been notified to the Company by Deutsche Bank AG pursuant to the Portfolio Agreement dated 31 October 2002; and
- (j) there are no other matters that may materially prejudice any security or the interests of the Bond holders.

Dated at Sydney 20 day of *January* 2005

FOR AND ON BEHALF OF THE BOARD



Director



Director