

Mrs Lorna Dorsett
Dorsett Investments Pty Ltd
59 Forrest Avenue
Bunbury WA 6230

17 June 2014

By email: [REDACTED]

Dear Lorna

Coventry Group Limited (ASX: CYG) – Proposed board changes

We confirm that funds managed by Sandon Capital Pty Ltd (**Sandon**) currently hold 1,592,785 approximately 4.1% of the issued shares in CYG.

We understand that Dorsett Investments Pty Ltd (**Dorsett Investments**) holds 1,356,660 shares representing approximately 3.6% of CYG. Should Sandon and Dorsett Investments co-operate they can requisition a general meeting of CYG shareholders under section 249D of Corporations Act.

The sole purpose of this letter is to set out the terms upon which Sandon and Dorsett Investments would agree to act in concert with respect to the composition of the board of CYG. Those activities would see Sandon (and associated Sandon managed funds) and Dorsett Investments become associates solely for the purposes of:

- entering into a relevant agreement for the purpose of controlling or influencing the composition of CYG's board (by agreeing to requisition a CYG shareholders meeting); and
- agreeing how to vote at any meeting of CYG which is called with respect to the composition of the CYG board.

In this regard, it is proposed that Sandon and Dorsett would collectively requisition a meeting of shareholders of CYG and seek the appointment of new directors and the removal of some of the current directors (as thought appropriate at the time of the requisition).

If you wish to enter into a relevant agreement as to the appointment and removal of directors please countersign this letter.

Neither Sandon nor Dorsett Investments wishes to enter into any other relevant agreement with respect to any other matter relevant to CYG's affairs and they should not be considered as associates for any other purpose.

Each of Sandon and Dorsett Investments retain the absolute discretion to act as they choose with respect to any other matter relating to CYG including, but limited to, the manner in which they may vote on any other resolution considered by CYG shareholders.

Yours sincerely



Gabriel Radzynski
Sandon Capital Pty Ltd

I agree to the arrangements set out above.

Name:

Authorised signatory: _____