

MILTON CORPORATION LIMITED

A.B.N. 18 000 041 421

Registered Office:
Level 2
50 Pitt Street
Sydney NSW 2000

PO Box R1836
Royal Exchange NSW 1225

Telephone: (02) 8006 5357
Facsimile: (02) 9251 7033
Email: general@milton.com.au
Website: www.milton.com.au
ASX code: MLT
Share Registry Enquiries: 1800 641 024

ASX RELEASE

6 April 2011

PROPOSED SELECTIVE CAPITAL REDUCTION

The directors of Milton Corporation Limited (Milton) advise that they currently intend to seek shareholder approval, at the company's annual general meeting, for a selective capital reduction of the 1.7 million Milton shares held by Choiseul Investments Limited (Choiseul) at the time of the merger of the two companies.

To comply with the Corporations Act, Milton is required to either cancel or Choiseul dispose of these shares within 12 months of taking control of Choiseul. Milton's directors have considered both options and have determined that the cancellation (by capital reduction) is currently the better alternative and is in the best interests of shareholders.

Chairman of Milton, Mr Robert Millner, said, "The cancellation of these shares will not affect Milton's consolidated net assets nor its net asset backing per share."

It is anticipated that an information memorandum will be despatched to shareholders with the notice of the annual general meeting which is to be held on 13 October 2011.

ISSUED FOR:

MILTON CORPORATION LIMITED

**FOR FURTHER
INFORMATION**

**MR FRANK GOOCH, MANAGING DIRECTOR
MILTON CORPORATION LIMITED**

TEL: (02) 9993 0782 MOBILE: 0414 675 748