

Appendix 3C

Announcement of buy-back (except minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

Schaffer Corporation Limited

ABN/ARSN

73 008 675 689

We (the entity) give ASX the following information.

Information about buy-back

- | | | |
|---|--|--|
| 1 | Type of buy-back | On market |
| 2 | ⁺ Class of shares/units which is the subject of the buy-back (eg, ordinary/preference) | Ordinary |
| 3 | Voting rights (eg, one for one) | One for one |
| 4 | Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding) | Fully paid |
| 5 | Number of shares/units in the ⁺ class on issue | 14,113,251 |
| 6 | Whether shareholder/unitholder approval is required for buy-back | Not required |
| 7 | Reason for buy-back | <ol style="list-style-type: none">1. Effective capital management.2. Market price at a substantial discount to net asset backing as per announcement 24/8/2011. |

⁺ See chapter 19 for defined terms.

Appendix 3C Announcement of buy-back

8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (eg, details of any proposed takeover bid)

None

On-market buy-back

9 Name of broker who will act on the company's behalf

Alto Capital

10 Deleted 30/9/2001.

11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

Up to 700,000 shares

12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

From 2/11/2011 for up to 12 months

13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

None

Employee share scheme buy-back

14 Number of shares proposed to be bought back

N/A

15 Price to be offered for shares

N/A

⁺ See chapter 19 for defined terms.

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back N/A
- 17 Number of shares proposed to be bought back N/A
- 18 Price to be offered for shares N/A

Equal access scheme

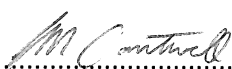
- 19 Percentage of shares proposed to be bought back N/A
- 20 Total number of shares proposed to be bought back if all offers are accepted N/A
- 21 Price to be offered for shares N/A
- 22 ⁺Record date for participation in offer N/A
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:  Date: 18/10/11
(Director/Company secretary)

Print name: **JASON CANTWELL**

⁺ See chapter 19 for defined terms.