

**TFS INDIAN SANDALWOOD PROJECT 2016 RETAIL
INVESTMENT OFFER**

ARSN: 610 346 864

**FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2021**



CONTENTS

	PAGE
RESPONSIBLE ENTITY'S REPORT	1
INDEPENDENT AUDITOR'S REPORT	3
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	7
STATEMENT OF FINANCIAL POSITION	8
STATEMENT OF CHANGES IN GROWERS' FUNDS	9
STATEMENT OF CASH FLOWS	10
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS	11
DIRECTORS' DECLARATION	15
AUDITOR'S INDEPENDENCE DECLARATION	16

RESPONSIBLE ENTITY'S REPORT

The Directors of Sandalwood Properties Ltd ("Responsible Entity") (ACN 093 330 977), as Responsible Entity for TFS Indian Sandalwood Project 2016 Retail Investment Offer (the "Project" or the "Scheme"), submit their report for the year ended 30 June 2021.

Directors

The names of the Directors of Sandalwood Properties Ltd (the "Directors") during the year and until the date of this report are set out below. The directors were in office for this entire period unless otherwise stated.

Mr Kent Burwash (Chairman);
Mr Stephen Dixon; and
Mr Richard Henfrey.

Principal Activities

The Project is a Managed Investment Scheme for the purposes of the *Corporations Act 2001* and is regulated by the Project's Constitution and the *Corporations Act 2001*. The Scheme participants' ("Growers") interests in the Sandalwood lots are managed by the Responsible Entity as a single commercial plantation for the benefit of the Growers.

Growers include interests held by the Responsible Entity or the subsidiaries of Quintis Holdco Pty Limited ("QHPL"). At 30 June 2021 there were 0 units (1/12 ha) held by the Responsible Entity or subsidiaries of QHPL and 805 units held by other Growers in the Project.

Change of State of Affairs

There have been no significant changes in the state of affairs of the Project during the year other than those disclosed in "Likely Developments and Expected Results".

Results of Operations

During the year, the Scheme continued to be managed in accordance with the investment objective and strategy set out in the Scheme's offer document and in accordance with the Scheme constitution.

Growers are establishing and participating in their own forestry plantation business.

The Scheme derived no operating profit during the financial year (2020: Nil) and made no distributions (2020: Nil).

COVID-19 Outbreak

In March 2020 the Coronavirus ("COVID-19") outbreak was declared a pandemic by the World Health Organisation. As a result of the necessary measures implemented by governments across the globe in response to COVID-19, the Australian agricultural sector has been impacted by social distancing and travel restrictions which in turn have also led to labour shortages being experienced in the sector. The Project is located in the Northern Territory and while labour shortages and restrictions on the movement of personnel due to the COVID-19 pandemic restricted the opportunity to undertake some activities in the plantation during the year, all essential plantation management services have been undertaken by the plantation manager throughout the COVID-19 pandemic.

Likely Developments and Expected Results

The investment strategy of the Scheme will be maintained in accordance with the Scheme constitution and investment objectives as detailed in the Product Disclosure Statement.

Expert Forester's Report for the period from 1 July 2020 to 30 June 2021

Plantation Name:	Maneroo Farm 4	Location:	Douglas Daly Region NT
Description:	Blocks 44 - 51	67.06 ha	
Planting:	2017		
Irrigation Method:	Trickle		
Silvicultural treatments during the year			
<ul style="list-style-type: none">Two applications of herbicide were applied during the year to each of the Blocks. This is primarily to reduce competition but also serves to reduce the fire hazard.An application of a synthetic pyrethroid insecticide was applied to control loopers in March 2021.Driplines are regularly maintained, although this was impacted by the Covid 19 pandemic which prevented access to workers.			

RESPONSIBLE ENTITY'S REPORT

Comments:
<p>Long-term host used are <i>Cathormion umbellatum</i>, <i>Dalbergia lanceolaria</i> and <i>Dalbergia latifolia</i> with <i>Acacia trachycarpa</i> as a medium-term host and <i>Sesbania formosa</i> as the short-term host. The <i>Cathormion umbellatum</i> are variable throughout the plantation, particularly in Stands 48 and 49. However, improvement continues on the heavier soils. There are gaps in the <i>Dalbergia lanceolaria</i> rows while the <i>Dalbergia latifolia</i> appears to be well stocked and vigorous. Consideration should be given to hedging and thinning the <i>Dalbergia</i> as soon as possible. <i>Acacia trachycarpa</i> is performing very well on this site. The sandalwood appears to have transitioned to the long-term hosts and the <i>Sesbania formosa</i> continue to die out.</p> <p>The sandalwood trees are not thriving indicating moisture stress. In addition, the weed load was heavy at the time of inspection contributing to moisture loss and creating a fire hazard.</p> <p>Sooty mould was evident throughout the plantation, although no sap-sucking insects were observed. This need investigation. Loopers and fig-leaf beetle have impacted on the sandalwood, with many defoliated.</p> <p>The form of sandalwood is comparatively good compared to other plantations. The sandalwood trees are due for a form prune.</p> <p>Restrictions on the movement of personnel due to the Covid 19 pandemic restricted the opportunity to undertake some activities in the plantation during the year. This is particularly so in relation to the maintenance of driplines.</p>

Environmental Management

The Project's operations are subject to significant environmental regulations under the laws of the Commonwealth and State. There have been no significant known breaches of any environmental regulations to which the Project is subject.

The Directors of the Responsible Entity have considered the National Greenhouse and Energy Reporting Act 2007 (the NGER Act) which introduces a single national reporting framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations. At the current stage of development, the Directors have determined that the NGER Act does not have an effect on the Project for the current or subsequent financial year. The Directors will reassess this position as and when the need arises.

Indemnification and Insurance of Directors and Officers

The constitution of the Responsible Entity requires it to indemnify all current and former officers under a law of the Commonwealth or of a State or Territory.

During or since the financial year, the Responsible Entity has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Responsible Entity. The cover included professional indemnity as well as Directors' and officers' insurance. The contract with the insurer prohibits the disclosure of the nature of the liabilities or the amount of premium paid.

Indemnification of Auditors

To the extent permitted by law, the Responsible Entity has agreed to indemnify its auditors, Ernst & Young Australia, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young during or since the financial year.

Events after the Reporting Period

Outbreak of COVID-19

It is not practicable to estimate the potential impact of COVID-19 on the future sale of the forest produce after the reporting date. The situation is subject to rapid change and regional variability and is dependent on measures imposed by the Australian Government and other countries, for management of the public health issue and any economic stimulus that may be provided.

Other than the possible impact of COVID-19 as disclosed above and in 'Results of Operations', no other matter or circumstance, not otherwise dealt with in the half year financial report, has significantly affected or may significantly affect the Project.

RESPONSIBLE ENTITY'S REPORT

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the *Corporations Act 2001* for the year ended 30 June 2021 has been received and can be found on page 16 of the report.

For and on behalf of the Directors of Sandalwood Properties Ltd:



Kent Burwash - Chairman

Dated at Perth on 27 October 2021

Independent auditor's report to the growers of TFS Indian Sandalwood Project 2016 Retail Investment Offer

Opinion

We have audited the financial report of TFS Indian Sandalwood Project 2016 Retail Investment Offer (the Registered Scheme), which comprises the statement of financial position as at 30 June 2021, the statement of profit or loss and other comprehensive income, statement of changes in growers' funds and statement of cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, and declaration of the directors of Sandalwood Properties Limited (the Directors), the Responsible Entity of the Registered Scheme.

In our opinion, the accompanying financial report of the Registered Scheme is in accordance with the Corporations Act 2001, including:

- a. Giving a true and fair view of the Registered Scheme's financial position as at 30 June 2021 and of its financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial report section of our report. We are independent of the Registered Scheme in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (including Independence Standards) (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the financial report and auditor's report thereon

The directors of the Responsible Entity are responsible for the other information. The other information is the Responsible Entity's report accompanying the financial report.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Responsible Entity are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Registered Scheme's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Registered Scheme or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Registered Scheme's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



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- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Registered Scheme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Registered Scheme to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors of the Responsible Entity regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst and Young

Ernst & Young

L L Chirathamjaree

L L Chirathamjaree
Partner
Perth
27 October 2021

**TFS INDIAN SANDALWOOD PROJECT 2016 RETAIL INVESTMENT OFFER
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	30 June 2021	30 June 2020
Other income and expense	\$ -	\$ -
Expenses	-	-
Operating (loss) / profit	-	-
Net profit for the period	-	-
Total comprehensive income for the period	-	-

The Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**TFS INDIAN SANDALWOOD PROJECT 2016 RETAIL INVESTMENT OFFER
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021**

	30 June 2021	30 June 2020
	\$	\$
Total Assets	-	-
Total Liabilities	-	-
Net Assets	-	-
Total Growers' Funds	-	-

The Statement of Financial Position should be read in conjunction with the accompanying notes.

**TFS INDIAN SANDALWOOD PROJECT 2016 RETAIL INVESTMENT OFFER
STATEMENT OF CHANGES IN GROWERS' FUNDS
FOR THE YEAR ENDED 30 JUNE 2021**

	Contributions From Growers \$	Undistributed Income Reserve \$	Total \$
Balance at 1 July 2020	-	-	-
Total comprehensive income for the period	-	-	-
Balance at 30 June 2021	-	-	-
Balance at 1 July 2019	-	-	-
Total comprehensive income for the period	-	-	-
Balance at 30 June 2020	-	-	-

The Statement of Changes in Growers' Funds should be read in conjunction with the accompanying notes.

**TFS INDIAN SANDALWOOD PROJECT 2016 RETAIL INVESTMENT OFFER
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	30 June 2021	30 June 2020
	\$	\$
Net movement in cash held	-	-
Cash at the beginning of the period	-	-
Cash at the end of the period	-	-

All cash transactions during the year were processed and managed by the Responsible Entity and no cash payments are made and received within the Project.

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1. GENERAL INFORMATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the TFS Indian Sandalwood Project 2016 Retail Investment Offer (the "Project" or the "Scheme") as an individual entity. The Project is a Managed Investment Scheme registered in Australia. The Scheme is expected to terminate on 30 June 2033 or at a later date, in accordance with the provisions of the Scheme Constitution.

The Responsible Entity of the Scheme is Sandalwood Properties Ltd (the "Responsible Entity").

Under the Scheme, Growers enter into a Lease and Management Agreement with the Responsible Entity and Quintis Leasing Pty Ltd ("QLPL") (a related entity of the Responsible Entity). Under the Lease and Management Agreement, the Grower sub-leases their Sandalwood lot(s) from QLPL and appoints the Responsible Entity to plant, manage and harvest the trees on the lot, as well as sell the Grower's share of the harvest of the plantation (not applicable where the Grower is an electing Grower as defined below) in consideration for the Grower agreeing to pay establishment fees, annual lease and management fees, a harvest fee and a sales and marketing fee (not applicable where the Grower is an electing Grower).

A Grower is a non-electing Grower unless they have elected to collect their share of the plantation harvest in which case they are an electing Grower.

The Scheme will continue to be managed in accordance with the investment objective and strategy set out in the Scheme's offer document and in accordance with the Scheme Constitution.

The financial report was authorised for issue on 27 October 2021 by the Board of Directors.

Going concern considerations

The financial report has been prepared on a going concern basis, which contemplates the continuity of normal business activity.

Under the Scheme, Growers enter into a lease and management agreement with the Responsible Entity and QLPL. The planting, management, harvest and sale of the trees on the Sandalwood lots are conducted by the project manager, Quintis Forestry Limited ("QFL"), as appointed by the Responsible Entity. The Responsible Entity, project manager and QLPL are wholly owned subsidiaries of Quintis Holdco Pty Limited ("QHPL"). QHPL together with its consolidated subsidiaries are referred to as the "Quintis Group".

The Scheme's liquidity position is linked to its Responsible Entity, which in turn is linked to QHPL (Parent Company of the Responsible Entity), due to on-demand loans extended to the Responsible Entity by wholly owned subsidiaries of QHPL.

After taking into account all available information, the Directors of the Scheme have concluded that there are currently reasonable grounds to believe that the preparation of the 30 June 2021 financial report on a going concern basis is appropriate.

Basis of Preparation

These general purpose financial statements for the year ended 30 June 2021 have been prepared in accordance with requirements of the *Corporations Act 2001*, Australian Accounting Standards applicable to "for profit entities" and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report also complies with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial statements have also been prepared on an accruals basis and is based on historical cost.

The financial statements only include Scheme property which does not include:

- the application money paid by the Grower to the Responsible Entity which covers the establishment fee, upfront annual fee and upfront rent;
- the lease and management fees paid by the Grower to the Responsible Entity under the Lease and Management Agreement;
- the trees growing on each Grower's lot;
- the harvest produce; and
- the harvest proceeds received by the Responsible Entity on sale of the harvest produce held in trust for the non-electing Growers.

The Scheme has adopted all new and amended Accounting Standards and Interpretations effective as of 1 July 2020. The adoption of these new and amended Accounting Standards and Interpretations had no material impact on the financial position or performance of the Project.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

a) **Functional and presentation currency**

Items included in the financial report are measured using the currency of the primary economic environment in which the Scheme operates (the "functional currency"). This is the Australian dollar, which reflects the currency of the economy in which the Scheme competes for funds and is regulated. The Australian dollar is also the Scheme's presentation currency.

b) **Significant Accounting Judgements**

The Directors of the Responsible Entity (the "Directors") have applied the following key judgements in preparing these financial statements.

Establishment fees paid by Growers

The Directors do not believe that establishment fees paid by Growers to the Responsible Entity represent a contribution to the Scheme and are therefore not Scheme property. Rather these fees are paid to and are received by the Responsible Entity in discharge of the Grower's individual obligation to pay for establishment services relating to the Grower's particular leased area, not the plantation as a whole. Accordingly, establishment fees are not recognised in these financial statements.

Transactions arising from the Lease and Management Agreement

Under the Lease and Management Agreement with the Responsible Entity and QLPL, the Grower sub-leases their Sandalwood lot(s) from QLPL and appoints the Responsible Entity to plant, manage and harvest the trees on the lot (not applicable where the Grower is an electing Grower as defined below), as well as sell the Grower's share of the harvest of the plantation in consideration of the Grower agreeing to pay establishment fees, annual lease and management fees, a harvest fee and a sales and marketing fee (not applicable where the grower is an electing grower).

Transactions arising from the Lease and Management Agreement and other associated charges made between the grower and the Responsible Entity have been excluded from the scope of transactions recognised in the Project's financial statements. The Directors do not believe the annual payments made by the growers to the Responsible Entity become Scheme property. Rather they are paid to and received by the Responsible Entity as rent and fees in discharge of a grower's individual obligation to pay such amounts.

Sandalwood trees and harvest produce

The Sandalwood trees established from the establishment services grow on the individual Grower's leased area. A Grower has full right, title and interest in either the Grower's proportional share of harvested trees (if an electing Grower) or the Grower's proportional share of harvest proceeds from the sale of the harvested trees (if a non-electing Grower). While there is an element of pooling to arrive at the harvested trees, the Grower retains full right, title and interest in the harvested trees. Accordingly, the Directors also believe that the Sandalwood trees and harvest produce are the assets of the Grower rather than the Scheme and as such should not be recorded in the Scheme financial statements as biological assets or inventory respectively.

Cash and cash equivalents held in trust for the Growers

Under the Scheme and Lease and Management Agreement, the Responsible Entity is required to establish separate bank accounts which are maintained by an independent custodian for certain funds received including Application Money received from Growers and gross proceeds from the sale of harvested trees for electing Growers. These bank accounts are held in the name of the Responsible Entity and maintained by an independent custodian in trust for the Growers. The Directors do not believe the funds held by the Responsible Entity in trust for the Growers become Scheme property and therefore these bank accounts have not been recorded in the Scheme financial statements.

c) **New and amended Accounting Standards and Interpretations issued but not yet effective**

A number of new and amended Accounting Standards and interpretations are effective for annual periods beginning after 1 July 2021, and have not been applied in preparing these financial statements. It is not expected that these new and amended Accounting Standards and Interpretations will have a significant impact on the Scheme.

2. **OPERATING SEGMENTS**

Identification of reportable segments

The Responsible Entity has identified that the Scheme has one reportable segment which is consistent with the financial statements as a whole.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3. SUBSEQUENT EVENTS

Outbreak of COVID-19

It is not practicable to estimate the potential impact of COVID-19 on the future sale of the forest produce after the reporting date. The situation is subject to rapid change and regional variability and is dependent on measures imposed by the Australian Government and other countries, for management of the public health issue and any economic stimulus that may be provided.

Other than the possible impact of COVID-19 as disclosed above and in 'Results of Operations', no other matter or circumstance, not otherwise dealt with in the half year financial report, has significantly affected or may significantly affect the Project.

4. FINANCIAL INSTRUMENTS

The Scheme holds no financial instruments.

5. RELATED PARTY DISCLOSURE

a) Responsible Entity

The Responsible Entity of TFS Indian Sandalwood Project 2016 Retail Investment Offer is Sandalwood Properties Ltd, whose immediate parent company is Quintis (Australia) Pty Limited and ultimate holding company is Quintis Holdco Pty Limited.

b) Fees paid or payable to the Responsible Entity

The Responsible Entity did not charge any fees to the Scheme during the year ended 30 June 2021 (2020: nil).

The Responsible Entity provides Sandalwood plantation establishment and management services for TFS Indian Sandalwood Project 2016 Retail Investment Offer and carries out the custodial and administrative functions. There were no transactions during the year and amounts payable at 30 June 2021 between the Scheme and the Responsible Entity were nil (2020: nil).

c) Holdings of Directors and Director Related Entities

No lease interests (on the same terms and conditions as other growers) are held by Directors or parties related to Directors.

At 30 June 2021 there were 0 units held by the Responsible Entity or subsidiaries of Quintis. No amounts are outstanding at year end.

d) Key management compensation

No compensation has been paid by the Project directly, or its Responsible Entity to key management personnel of Quintis.

6. COMPLIANCE MATTERS

a) Compliance Committee

Mr David Mahon was appointed as Compliance Officer on 26 March 2019.

b) Remuneration of Directors and Compliance Committee

In the current year, no fees were paid (2020: nil) to the Compliance Committee following the appointment of the Directors to the board of the Responsible Entity (refer to Note 6(a)). \$10,909 was paid (2020: \$10,909) to the Directors for provision of their services during the year ended 30 June 2021.

7. AUDITOR REMUNERATION

Ernst & Young are the auditors of the Scheme and the Scheme's compliance plan. During the year the auditors received remuneration in relation to the Project of \$4,218 (2020: \$4,100).

8. CONTINGENT LIABILITIES

There were no contingent liabilities as at 30 June 2021 (2020: nil).

9. INCOME TAXES

Under current Australian legislation, the Scheme is not subject to income tax provided the growers are presently entitled to the income of the Scheme and the Scheme fully distributes its net taxable income.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

10. PROJECT DETAILS

The registered office of the Project and principal place of business is Level 1, 87 Colin Street, West Perth WA 6005.

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Sandalwood Properties Ltd, I state that:

In the opinion of the Directors:

- a) The financial statements and notes of TFS Indian Sandalwood Project 2016 Retail Investment Offer for the year ended 30 June 2021 are in accordance with the *Corporations Act 2001*, including:
 - (i) giving a true and fair view of the Scheme's financial position as at 30 June 2021 and its performance for the year ended on that date; and
 - (ii) complying with Accounting Standards and the *Corporations Regulations 2001*;
- b) The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 1; and
- c) There are reasonable grounds to believe that the Scheme will be able to pay its debts as and when they become due and payable.

Signed on behalf of the Board
Sandalwood Properties Ltd



Kent Burwash - Chairman

Dated at Perth on 27 October 2021.



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Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia
GPO Box M939 Perth WA 6843

Tel: +61 8 9429 2222
Fax: +61 8 9429 2436
ey.com/au

Auditor's independence declaration to the directors of Sandalwood Properties Ltd, as the responsible entity for TFS Indian Sandalwood Project 2016 Retail Investment Offer

As lead auditor for the audit of the financial report of TFS Indian Sandalwood Project 2016 Retail Investment Offer for the financial year ended 30 June 2021, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b. No contraventions of any applicable code of professional conduct in relation to the audit.

A handwritten signature in black ink that reads "Ernst and Young" in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads "L L Chirathamjaree" in a cursive style.

L L Chirathamjaree
Partner
27 October 2021