



23 January 2018

CIRCULAR TO MANAGED INVESTMENT SCHEME GROWERS - QUINTIS LTD AND ITS AUSTRALIAN SUBSIDIARIES (ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

We refer to the appointment of Richard Tucker, Scott Langdon and John Bumbak of KordaMentha as Voluntary Administrators (“Administrators”) of Quintis Limited and its Australian subsidiaries as set out in Appendix A (“Quintis Group”) on 20 January 2018. We also refer to the appointment of Jason Preston, Shaun Fraser and Robert Brauer of McGrathNicol as Receivers and Managers on 23 January 2018 (“Receivers”).

We note that the appointments include Sandalwood Properties Ltd. Sandalwood Properties Ltd is the Responsible Entity of the various managed investment schemes set out in Appendix B (each an "MIS"). Quintis Forestry Limited is the Manager under the various Plantation Management Agreements between Sandalwood Properties Ltd and Quintis Forestry Limited.

The Receivers have been appointed pursuant to the security held by the collateral trustee on behalf of holders of the Senior Secured Bonds issued by Quintis Ltd (“Bondholders”).

In conjunction with the Administrators, the Receivers will shortly be commencing a process to seek expressions of interest in the sale or recapitalisation of the assets and undertakings of the Quintis Group. The majority of Bondholders have expressed a desire to work with the Quintis Group and its stakeholders during the process to work towards a suitable solution that maximises the outcome for all stakeholders, including the MIS growers.

During this process, Sandalwood Properties Ltd and Quintis Forestry Limited presently intend to continue to perform their roles and, importantly, will continue to maintain the trees under the relevant MIS management agreements. As previously announced by Quintis Ltd, certain Bondholders subscribed for up to US\$20 million of additional bonds during November 2017. This funding is sufficient to ensure the Quintis Group can continue to operate on a business as usual basis whilst expressions of interest are sought and any proposed sale or recapitalisation is concluded.

One of the key advantages of the Quintis Group structure is the opportunity for all investor growers to develop and market the Indian Sandalwood product collectively. This is a key value proposition both for the recapitalisation of the Quintis Group but also for individual grower investors in the various MIS.

If you have any questions and would like to speak to the Quintis Group please call 08 9215 3000.

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QUINTIS LTD	ABN 97 092 200 854
QUINTIS FORESTRY LTD	ABN 83 080 139 966
QUINTIS LEASING PTY LTD	ABN 84 080 978 721
QUINTIS PRODUCTS PTY LTD	ABN 85 103 368 707
SANDALWOOD PROPERTIES LTD	ABN 31 093 330 977

(All entities subject to Administrators appointed & Receivers and Managers appointed)



The Receivers and Administrators will continue to keep MIS investors informed as the expression of interest process progresses.

Nothing in this circular should be taken as an adoption by the Receivers or Administrators of the various contracts referred to in this circular. This circular only relates to each MIS, and not any other investments with the Quintis Group.

Please also refer to the "MIS Grower FAQs" document for more information.

Appendix A

Quintis Group entities over which the Administrators and Receivers are appointed

Company name	ACN
Quintis Ltd	092 200 854
Arwon Finance Pty Ltd	072 486 643
Australian Sandalwood Oil Co. Pty Ltd	088 257 498
Mt Romance Australia Pty Ltd	060 122 698
Mt Romance Holdings Pty Ltd	115 659 606
Quintis Leasing Pty Ltd	080 978 721
Sandalwood Properties Ltd	093 330 977
Quintis Forestry Limited	080 139 966

Appendix B

List of Managed Investment Schemes for which Sandalwood Properties Ltd is the Responsible Entity

Project Name	ARSN
TFS Sandalwood Project 2000	094 684 410
TFS Sandalwood Project 2002	099 022 170
TFS Sandalwood Project 2003	104 124 414
TFS Sandalwood Project 2004	108 261 856
TFS Premium Sandalwood Project 2004	108 714 736
TFS Sandalwood Project 2005	113 492 890
TFS Sandalwood Project 2006	117 134 611
TFS Sandalwood Project 2007	123 883 830
TFS Sandalwood Project 2008	128 710 261
TFS Sandalwood Project 2009	135 373 938
TFS Sandalwood Project 2010	142 774 132
TFS Sandalwood Project 2011	150 211 171
TFS Sandalwood Project 2012	157 880 263
TFS Sandalwood Project 2013	161 604 806
TFS Sandalwood Project 2014	167 882 493
TFS Sandalwood Project 2015	604 615 232
TFS Indian Sandalwood Project 2016 – Retail Investment Offer	610 346 864