

30 August 2018

Circular to Growers in the TFS Sandalwood Project 2003 (the "Project") - WAD 367/2018

We refer to our previous correspondence dated 23 August 2018 in relation to proceedings commenced by us in the Federal Court of Australia. The proceeding concerns the meeting of Growers for the Project held on 23 July 2018 and the resolutions purportedly passed at that meeting. In that previous correspondence, we provided an update on the first case management hearing on Tuesday, 21 August 2018 for the proceeding at which the Court did not make any orders and adjourned the matter to a directions hearing on Monday 27 August 2018 to allow the defendants to instruct solicitors.

The first and second defendants Huntley Management Limited ("**Huntley**") and Sandalwood Growers Co-op Ltd filed submitting notices and indicated that they will not actively defend the proceeding.

The third defendant Graeme Scott is presently opposing the orders sought by us and filed an appearance and minute of proposed orders prior to the directions hearing on Monday, 27 August 2018. At that hearing, Justice Colvin made the following timetabling orders:

- Sandalwood Properties Limited (Subject to Deed of Company Arrangement)(Receivers and Managers Appointed) ("**SPL**") is required to file and serve any additional affidavits, submissions and a list of authorities by 7 September 2018;
- the third defendant (Graeme Scott) is required to file and serve any affidavits, submissions and list of authorities by 21 September 2018;
- SPL is required to file and serve any responsive material by 26 September 2018; and
- **the matter is listed for hearing at 10.15am on 2 October 2018.**

We enclose a copy of the orders made by Justice Colvin and two further affidavits filed by us, for your information. These documents are also available in the "Administration and Receivership News" section of the Quintis website and in the "Assignments" section of our website (www.mcgrathnicol.com/assignments) (under "Quintis Group"). Alternatively, if you would like us to provide you with a paper copy of these documents, please contact Marina de Grys at Quintis (marina@quintis.com.au) (cc quintis@mcgrathnicol.com).

Should you require any information, please contact Alison Wong of my team on + 61 2 9338 2645.



Shaun Fraser

*Joint Receiver and Manager of Sandalwood Properties Limited (Subject to Deed of Company Arrangement)
(Receivers and Managers Appointed)*