

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Quintis (Australia) Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (ACN 626 970 821)

First Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Sandalwood Properties Ltd (formerly known as T.F.S. Properties Ltd) (Receivers and Managers Appointed) (Administrators Appointed) (ACN 093 330 977)

Second Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Quintis Forestry Pty Ltd (formerly known as Tropical Forestry Services Ltd) (Receivers and Managers Appointed) (Administrators Appointed) (ACN 080 139 966)

Third Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Arwon Finance Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (ACN 072 486 643)

Fourth Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Quintis Leasing Pty Ltd (formerly known as T.F.S. Leasing Pty Ltd) (Receivers and Managers Appointed) (In Liquidation) (ACN 080 978 721)

Fifth Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Fieldpark Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (ACN 113 440 841)

Sixth Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Mt Romance Holdings Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) (ACN 115 659 606)

Seventh Plaintiff

FILED

21 AUG 2024

Via eLodgment

CENTRAL OFFICE
SUPREME COURT



-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of Quintis Sandalwood Pty Ltd (formerly known as Mt Romance Australia Pty Ltd) (Receivers and Managers Appointed) (Administrators Appointed) (ACN 060 122 698)

Eighth Plaintiff

-and-

DANIEL WOODHOUSE, HAYDEN WHITE and JOHN PARK in their capacity as joint and several receivers and managers of About Time We Met Pty Ltd (formerly known as Australia Sandalwood Oil Co. Pty Ltd) (Receivers and Managers Appointed) (Administrators Appointed) (ACN 088 257 498)

Ninth Plaintiff

AND

PAUL BEGLEY, SHIRLEY SPENCER AS EXECUTOR OF THE DECEASED ESTATE OF COLIN SPENCER, GEGORY BRUDENELL, AND OTHERS NAMED IN THE SCHEDULE

Defendants

**SIXTH AFFIDAVIT OF DANIEL HILLSTON WOODHOUSE
IN SUPPORT OF APPLICATION FOR
DECLARATORY RELIEF AND FOR DIRECTIONS
PURSUANT TO SECTION 424 OF THE CORPORATIONS ACT**

AFFIRMED ON 21 AUGUST 2024

Date of Document: 21 August 2024

Date of Filing: 21 August 2024

Prepared By:

Clifford Chance
Ground Floor,
235 St Georges Terrace
Perth WA 6000

Email: perth.ldr@cliffordchance.com
Telephone: 08 9262 5555
Ref: 22-41072831 PS / AP




INDEX

No	Details	Pages
	Sixth Affidavit of Daniel Hillston Woodhouse in support of the Plaintiffs' Application for declaratory relief and for directions under s 424 of the <i>Corporations Act 2001</i> (Cth) affirmed on 21 August 2024	1 – 21
DHW-53	Orders of the Honourable Justice Strk made in COR 62 of 2024 on 18 July 2024 and Reasons of the Honourable Justice Strk published on 5 August 2024	21 – 79
DHW-54	ASIC Company searches in respect of the Quintis Group Companies undertaken on 8 August 2024	80 – 344
DHW-54(a)	Land Title Searches undertaken on 9 August 2024 for the Voyager Land	345 – 350
DHW-54(b)	Land Title Searches undertaken on 9 August 2024 for the Relevant Land Assets	351 – 360
DHW-55	Spreadsheet listing the Quintis-Owned Land Assets of the Quintis Group Companies provided on or about 1 August 2024 (Land Spreadsheet)	361
DHW-56(a)	The Lease and Management Agreement between SPL, Quintis Leasing and the ex-Scheme Investors of the TFS 2012 Scheme dated 26 June 2012 (Quintis 2012 LMA)	362 – 417
DHW-56(b)	The constitution between SPL and the ex-Scheme Investors of the Quintis 2012 Scheme dated 18 April 2012	418 – 452
DHW-56(c)	The product disclosure statement in respect of the Quintis 2012 Scheme dated 2 May 2012	453 – 564
DHW-57(a)	The Lease and Management Agreement between SPL, Quintis Leasing and the ex-Scheme Investors of the TFS 2014 Scheme dated 29 May 2014 (Quintis 2014 LMA)	565 – 629
DHW-57(b)	The constitution between SPL and the ex-Scheme Investors of the Quintis 2014 Scheme dated 13 February 2014	630 – 668
DHW-57(c)	The product disclosure statement in respect of the Quintis 2014 Scheme dated 26 February 2014	669 – 784
DHW-58	Lease No. 716363792 between SPL (as lessor) and Quintis Leasing (as lessee in its own right and SPL as sublessee and bare trustee for Scheme Investors) dated on or about 23 February 2015	785 – 796

No	Details	Pages
DHW-59(a)	Lease No. 717117727 between SPL (as lessor) and Quintis Leasing (as lessee) dated on or about 19 February 2016, for Lot 13 of Survey Plan 195138 and Lot 2 of Survey Plan 262859	797 – 816
DHW-59(b)	Lease No. 717117755 between SPL (as lessor) and Quintis Leasing (as lessee) dated on or about 19 February 2016, for Lot 13 of Survey Plan 195138 and Lot 2 of Survey Plan 262859	817 – 836
DHW-59(c)	Sublease No. 717176952 between Quintis Leasing (as sublessor) and SPL (as sublessee and bare trustee for Scheme Investors), dated on or about 21 March 2016, for Lot 13 of Survey Plan 195138 and Lot 2 of Survey Plan 262859	837 – 867
DHW-59(d)	Sublease No. 717176953 between Quintis Leasing (as sublessor) and SPL (as sublessee and bare trustee for Scheme Investors), dated on or about 21 March 2016, for Lot 13 of Survey Plan 195138 and Lot 2 of Survey Plan 262859	868 – 898
DHW-60(a)	Lease No. L470429 between SPL (as lessor) and Quintis Leasing (as lessee and SPL as bare trustee for Scheme Investors) dated on or about 22 October 2010, for Lot 6 of Plan 156131	899 – 916
DHW-60(b)	Caveat No. L555342 by SPL dated on or about 14 February 2011, for Lot 6 of Plan 156131	917 – 930
DHW-60(c)	Lease No. L732170 between SPL (as lessor) and Quintis Leasing (as lessee and SPL as sublessee and bare trustee for Scheme Investors) dated on or about 2 September 2011, for Lot 6 of Plan 156131	931 – 945
DHW-61(a)	Lease No. L470430 between SPL (as lessor) and Quintis Leasing (as lessee and SPL as sublessee and bare trustee for Scheme Investors) dated on or about 22 October 2010, for Lot 52 of Deposited Plan 32046	946 – 954
DHW-61(b)	Surrender of Lease L470430 (Dealing No. M634812) dated on or about 31 March 2014, for Lot 52 of Deposited Plan 32046	955 – 958
DHW-61(c)	Caveat No. L555346 by SPL dated on or about 11 February 2011, for Lot 52 of Deposited Plan 32046	959 – 972
DHW-61(d)	Lease No. M663181 between SPL (as lessor) and Quintis Leasing (as lessee and SPL as sublessee and bare trustee for Scheme Investors) dated on or about 5 May 2014, for Lot 52 of Deposited Plan 32046	973 – 986
DHW-62	ASIC Form 5138 documents filed by SPL commencing the winding up of the MIS Schemes	987 – 1046

I Daniel Hillston Woodhouse of Level 47, Central Park, 152 – 158 St Georges Terrace, Perth, WA, 6000, chartered accountant and registered liquidator affirm and say as follows:

1. I am a senior managing director in the corporate finance and restructuring practice of the professional services firm, FTI Consulting (Australia) Pty Ltd (**FTI**). I have been a registered liquidator since 2018. I have over 20 years' experience in corporate restructuring and turnaround review and advisory services.
2. I am one of three joint and several receivers and managers of the second to tenth plaintiffs (the Quintis Group), together with Hayden White and John Park (together, the Receivers). Messrs White and Park are also senior managing directors of FTI.
3. I am authorised by my fellow Receivers to make this affidavit on behalf of the Receivers.
4. Unless otherwise stated, this affidavit is based on my own knowledge and belief from information that I and staff members of FTI have obtained as a consequence of the Receivers' appointment to the Quintis Group, which I believe to be true.
5. I make this affidavit in support of the plaintiffs' application for declaratory relief and for directions under s. 424 of the Corporations Act 2001 (Cth) (Corporations Act) in the interlocutory process filed on or about 21 August 2024 (the Application).
6. I affirmed affidavits earlier in this proceeding, including the following open affidavits:
 - (a) the First Affidavit of Daniel Hillston Woodhouse affirmed on 15 April 2024 (**First Woodhouse Affidavit**) in support of the Receivers' application for relief from liability under s. 419A(7) of the Corporations Act. The reasons for decision appear at *Re Quintis (Australia) Pty Ltd (receivers and managers appointed) (administrators appointed)* [2024] WASC 181;
 - (b) the Fourth Affidavit of Daniel Hillston Woodhouse affirmed on 5 July 2024 (**Fourth Woodhouse Affidavit**) in support of the Receivers' application for directions under s. 424 of the Corporations Act; and



(c) the Fifth Affidavit of Daniel Hillston Woodhouse affirmed on 17 July 2024 (**Fifth Woodhouse Affidavit**) also in support of the Receivers' application for directions under s. 424 of the Corporations Act.

7. Unless otherwise stated in this affidavit, capitalised terms in this affidavit have the meaning given in the First Woodhouse Affidavit
8. The attachments to this affidavit are numbered sequentially with the prefix "DHW" (from **DHW-53** onwards, following the numbering in the earlier Woodhouse Affidavits). In this affidavit, where I refer to a document and then state a sequential attachment identifier in bracketed text, the attachment marked with that identifier is a true copy of the document that I refer to in the preceding text.

Purpose of this Application

9. The purpose of this Application is to support the plaintiffs' application for final declaratory relief and for directions pursuant to section 424 of the Corporations Act, to:
 - (a) facilitate the sale by the Receivers and the transfer of clean title to the purchasers of five (5) land titles owned by the Quintis Group Companies described in paragraph 23 below as the Relevant Land Assets, which the Receivers wish to sell as soon as possible for the benefit of their appointors and to minimise ongoing costs; and
 - (b) for the distribution of the net proceeds of sale from ex-Scheme Trees located on the Voyager Land (being Lot 257 of Deposited Plan 209747 and Lot 240 of Deposited Plan 209468 in Western Australia).
10. The declaration sought in respect of the distribution of the net proceeds of sale from the ex-Scheme Trees on the Voyager Land in paragraph 9(b) above is sought further to the directions made by the Honourable Justice Strk on 18 July 2024, pursuant to s. 424 of the Corporations Act and the Reasons for decision published on 5 August 2024. A true



copy of the Orders and the Reasons are attached and marked **DHW-53**, to the effect that the Receivers would be justified and acting properly in:

- (a) treating the ex-Scheme Trees on the Voyager Land as trees to which neither Non-Electing Growers or Electing Growers have any right, title or interest in light of clauses 5.14, 15 and 16 of the LMAs; and
- (b) entering into a sale contract for the ex-Scheme Trees on the Voyager Land and paying the net proceeds of sale into an interest-bearing escrow account pending determination (or agreement) as to the distribution of the proceeds of sale.

11. I refer to paragraphs 16 to 27 of the First Woodhouse Affidavit, where I set out the background to the Receivers' appointment, in particular:

- (a) On or about 12 March 2024 and 14 March 2024, the Honourable Justice Cobby made orders in effect, directing the Responsible Entity of the Quintis Group Companies' retail Managed Investment Schemes (**Schemes**) to be wound up pursuant to s 601ND(1)(a) of the Corporations Act, on the ground that it was just and equitable to do so (**Orders**).
- (b) Pursuant to the Orders, on or about 26 March 2024 and 28 March 2024, the Responsible Entity issued notice of the Orders to all investors in the Schemes and published the notices on its website, and thereby terminated the Lease and Management Agreements referable to the Schemes (**LMAs**) (see paragraphs 31(d) and 31(e) below and Annexures DHW-26 and DHW-45 of the Fourth Woodhouse Affidavit for examples of copies of the termination notices).
- (c) On or about 2 April 2024, the Quintis Group Companies were placed into receivership (and on 3 April 2024, they were placed into voluntary administration (save for Quintis Leasing Pty Ltd (**Quintis Leasing**), which had been placed into voluntary administration on 20 December 2023 and into liquidation on 6 March 2024).
- (d) On or about 19 July 2024, the second meetings of the creditors of the Quintis Group Companies took place. At those meetings, the creditors of each of the Quintis Group Companies (save for Quintis Leasing, for the reasons noted in



the preceding sub-paragraph) resolved to place those Quintis Group Companies into liquidation. Attached and marked Annexure **DHW-54** are updated ASIC current company searches in respect of the Quintis Group Companies, which shows their entry into liquidation on 19 July 2024.

12. I also refer to paragraphs 26 and 27 of the First Woodhouse Affidavit, where I set out the steps undertaken by the Receivers following their appointment, including but not limited to running an expression of interest campaign to drive interest in a potential sale or recapitalisation process, aimed at selling the Quintis Group Companies and/or their business as a going concern.
13. Since taking the steps referred to in paragraph 12 above:
 - (a) The expression of interest and sale campaign ended on or about 13 May 2024, with no viable proposals or offers being received to purchase or recapitalise the Quintis Group Companies and/or their business as a going concern. Attachment DHW-39 of the Fourth Woodhouse Affidavit contains true copies of: (1) an advertisement in the Australian Financial Review dated 5 April 2024; (2) a letter from the Receivers concerning the expression of interest process dated 8 April 2024; (3) an information memorandum dated 19 April 2024; (4) a pro forma letter from the Receivers setting out the second-stage / non-binding indicative offer process dated 24 April 2024 (partially redacted for confidentiality); and (5) a public circular from the Receivers.
 - (b) As part of the expression of interest and sale campaign, the Receivers obtained indicative proposals from third parties for the purchase of certain of the land assets of the Quintis Group Companies, including, the Relevant Land Assets referred to in paragraph 23.
 - (c) On or about 13 May 2024, the Receivers commenced marketing for sale the assets of the Quintis Group Companies, including the Relevant Land Assets referred to in paragraph 23 below.
 - (d) The first round of expressions of interest for the purchase of land assets owned by the Quintis Group Companies situated in Queensland, and in Kununurra and



Albany, Western Australia (including the Relevant Land Assets) closed on 9 August 2024.

- (e) As at 13 August 2024, a total of thirty-five (35) responses to the request for expressions of interest were received by the Receivers, for either various aggregated lots in their entirety, or for individual land titles.
 - (f) Confidential offers have been received in respect of the Relevant Land Assets. Copies of these offers are not attached to this affidavit as they are confidential.
 - (g) Best and Final offers will be sought by 23 August 2024, with the Receivers and preferred bidders moving towards due diligence and documenting the sale process.
14. The Receivers continue to be faced with the allegations from former investors, or persons who claim to be former investors (ex-Scheme Investors) in the Quintis Group Companies' Schemes the subject of the Orders by the Honourable Justice Cobby, who claim to have rights, title or interests in the sandalwood trees referable to those Schemes (ex-Scheme Trees), including as referred to in paragraphs 46 to 61 of the Fourth Woodhouse affidavit. The ex-Scheme Investors who have made claims or otherwise asserted rights, title or interest include:
- (a) Mr Desmond Caling as deposed to in paragraphs 53 to 56 of the Fourth Woodhouse Affidavit;
 - (b) The Sandalwood Growers' Co-op (SGC) as deposed to in paragraphs 57 to 61 of the Fourth Woodhouse Affidavit.
15. On or about 1 August 2024, the Receivers executed a sale contract for the sale of the ex-Scheme Trees on the Voyager Land with AAG Investment Management Pty Ltd and Sandalista Pty Ltd. The harvest of the ex-Scheme Trees is expected to be completed by 31 October 2024. I have not attached a copy of the relevant sale contract due to its confidentiality and commercial sensitivity, but I can do so under cover of a separate confidential affidavit if that would assist this Honourable Court.



16. The Quintis Schemes with sandalwood plantations on the Relevant Land Assets are the Quintis 2007, 2008, 2009, 2012 and 2014 Schemes (which I explain in more detail at paragraphs 25 to 27 below).
17. As deposed to at paragraph 26(g) of the First Woodhouse Affidavit and paragraphs 47 and 50 of the Fourth Woodhouse Affidavit, the Receivers contacted or caused FTI staff to contact all persons who made registrations on the PPSR against any of the Quintis Group Companies (except Quintis Leasing), including but not limited to those who claimed an interest in "crops", "general tangible" property, or anything in the nature of ex-Scheme Trees, other than those who had made such registration against Quintis Leasing, and due to unintended omission, Ms Carolyn Jenkins. In that correspondence the Receivers sought copies of any registered security agreements and other details associated with the registrants' alleged secured claims against the assets of the Quintis Group Companies. Registrants who were no longer secured parties were directed to discharge their respective registrations. Attachments DHW-41 and DHW-42 of the Fourth Woodhouse Affidavit are true copies of PPSR searches against Australian Registered Scheme Numbers (ARSN) conducted on 3 June 2024 and on 21 June 2024 for each of the 2007, 2008, 2009, 2012 and 2014 Quintis MIS.
18. To the best of my knowledge the only responses received from ex-Scheme Investors as at the date of this affidavit are as set out in the Fourth Woodhouse Affidavit at paragraphs 51 and 52, and 57 to 61.

Relevant Land Titles and Leases

Overview


19. I refer to paragraphs 7 to 15 of the First Woodhouse Affidavit which summarises the Quintis Group Companies' structure and business and further note the following (as an overview, which is expanded upon later in this affidavit):
 - (a) Broadly speaking, the Quintis Group Companies (primarily via Sandalwood Properties Ltd (SPL) or Quintis Forestry Pty Ltd (**Quintis Forestry**)) own various freehold titles over which the Receivers have been appointed.



- (b) Certain of these Quintis-Owned Land Assets have plantations of ex-Scheme Trees and are therefore affected by the asserted claims of ex-Scheme Investors.
 - (c) Aside from Quintis-Owned Land Assets, the Quintis Group Companies also operated Schemes on land that was leased from third parties to a Quintis Group Company (usually Quintis Leasing). Most of this third-party leased land has reverted to the third-party landowners (and are not relevant to this application). The Voyager Land has not reverted to its third-party owner and Quintis Forestry remains as lessee, as described in paragraphs 12(a) and (b) of the Fourth Woodhouse Affidavit. Title searches for the Voyager Land undertaken on 9 August 2024 recording the relevant leases with Quintis Forestry are attached and marked **DHW-54(a)**.
20. The leases and subleases in respect of the Quintis-Owned Land Assets have been entered into in accordance with one of the following structures:
- (a) SPL (as lessor) leased to Quintis Leasing (as lessee in its own right and SPL as sublessee and bare trustee for Scheme Investors) (i.e. in one single combined head lease and "*collateral*" lease instrument) (**Combined Head Lease and Collateral Sublease**).
 - (b) SPL (as lessor) leased to Quintis Leasing (as lessee in its own right) (**Separate Head Lease**), and then Quintis Leasing sub-leased to SPL as bare trustee for Scheme Investors (**Separate Collateral Sublease**) (i.e. in two separate head lease and "*collateral*" lease instruments).
21. SPL entered into the collateral sublease as bare trustee for Scheme Investors as a requirement of its Australian Financial Services Licence, or alternatively, in Western Australia, SPL lodged a caveat against the relevant land title for the same purpose.

Relevant Land Assets

22. On or about 1 August 2024, Mr John Loudon, General Counsel of the Quintis Group Companies, provided FTI with a spreadsheet titled "Quintis Owned Land with ex-Scheme Trees" (Land Spreadsheet), listing the Quintis-Owned Land Assets of the



Quintis Group Companies (and specifying which of those land assets have plantations of ex-Scheme Trees), a copy of which is attached and marked **DHW-55**.

23. Having regard to the Land Spreadsheet as a book and record of the Quintis Group Companies, I believe the following Quintis-Owned Land Assets in rows 38 to 42 of the Land Spreadsheet are relevant to this Application as being land with plantations of ex-Scheme Trees:

- (a) Lot 73 of Crown Plan GS422 (Title Reference 21226107) (owned by SPL in Queensland) (**Lot 73 of Crown Plan GS422**) (known as 'Mugica');
- (b) Lot 13 of Survey Plan 195138 (Title Reference 50643972) (owned by SPL in Queensland) (**Lot 13 of Survey Plan 195138**) (known as 'Woods Farm') ;
- (c) Lot 2 of Survey Plan 262859 (Title Reference 50928825) (owned by SPL in Queensland) (**Lot 2 of Survey Plan 262859**) (known as 'Woods Farm');
- (d) Lot 6 on Plan 15631, Volume 1746, Folio 292 (Title Reference 1746/292) (owned by SPL in Western Australia) (**Lot 6 on Plan 15631**) (known as 'Chapmans'); and
- (e) Lot 52 on Deposited Plan 32046, Volume 2625, Folio 295 (Title Reference 2625/295) (owned by SPL in Western Australia) (**Lot 52 on Deposited Plan 32046**) (known as 'Rogers'),

(together, the Relevant Land Assets).

24. Further to paragraphs 23 to 25 of the First Woodhouse Affidavit, the Receivers have been appointed over and have the power to deal with and dispose of the Relevant Land Assets.

Managed Investment Schemes Referrable to Relevant Land Assets

25. Having regard to the Land Spreadsheet as a book and record of the Quintis Group Companies, I believe the Schemes referrable to the Relevant Land Assets are set out in rows 38 to 42 of the Land Spreadsheet, being the Quintis 2007, 2008, 2009, 2012 and 2014 Schemes (together the Relevant Schemes).



26. In addition to the attachments referred to at paragraphs 25 to 27 of the Fourth Woodhouse Affidavit and marked DHW-33 to DHW-35(b) in respect of the 2007, 2008 and 2009 Quintis MIS, I attach the following documents:

(a) in respect of the Quintis 2012 Scheme:

- (i) the lease and management agreement between SPL, Quintis Leasing and the ex-Scheme Investors of the TFS 2012 Scheme dated 26 June 2012 (**Quintis 2012 LMA**);
- (ii) the constitution between SPL and the ex-Scheme Investors of the Quintis 2012 Scheme dated 18 April 2012; and
- (iii) the product disclosure statement dated 2 May 2012,
(together, marked **DHW-56(a), (b) and (c)** respectively);

(b) in respect of the Quintis 2014 Scheme:

- (i) the lease and management agreement between SPL, Quintis Leasing and the ex-Scheme Investors of the TFS 2014 Scheme dated 29 May 2014 (**Quintis 2014 LMA**);
- (ii) the constitution between SPL and the ex-Scheme Investors of the Quintis 2014 Scheme dated 13 February 2014; and
- (iii) the product disclosure statement dated 26 February 2014,
(together, marked **DHW-57(a), (b) and (c)** respectively).

27. As set out in paragraphs 11(a) and 11(b) of this Affidavit, each of the LMAs referable to the Relevant Schemes was terminated by SPL on or about 26 March 2024 (or in the case of the Quintis 2007 MIS on or about 28 March 2024) in accordance with Orders made by the Honourable Justice Cobby.

Leases, Subleases and Caveats Referrable to Relevant Land Assets

28. Attached and marked **DHW-54(b)** are title searches that I caused to be undertaken on or about 9 August 2024 for the Relevant Land Assets. From my review of the title



searches for the Relevant Land Assets, set out below are the remaining lease, sublease and caveat interests recorded on titles in respect of the Relevant Land Assets for the Relevant Schemes:

- (a) For Lot 73 of Crown Plan GS422, Lease No. 716363792 dated on or about 23 February 2015 between SPL (as lessor) and Quintis Leasing (as lessee in its own right and SPL as sublessee and bare trustee for Scheme Investors) (being a Combined Head Lease and Collateral Sublease as described in paragraph 20(a) above). I attach and mark **DHW-58** a true copy of the lease agreement for Lease No. 716363792. This lease expires on 30 June 2030.

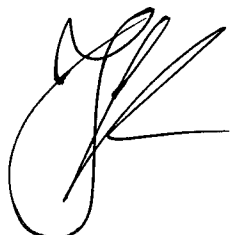
- (b) For Lot 13 of Survey Plan 195138 and Lot 2 of Survey Plan 262859:
 - (i) Lease No. 717117727 dated on or about 19 February 2016 between SPL (as lessor) and Quintis Leasing (as lessee) (being a Separate Head Lease as described in paragraph 20(b) above). This lease expired on 30 June 2024.
 - (ii) Lease No. 717117755 dated on or about 19 February 2016 between SPL (as lessor) and Quintis Leasing (as lessee) (being a Separate Head Lease as described in paragraph 20(b) above). This lease expires on 30 June 2032.
 - (iii) Sublease No. 717176952 dated on or about 21 March 2016 between Quintis Leasing (as sublessor) and SPL (as sublessee and bare trustee for Scheme Investors) (being a Separate Collateral Sublease as described in paragraph 20(b) above). This sublease expired on 29 June 2024.
 - (iv) Sublease No. 717176953 dated on or about 21 March 2016 between Quintis Leasing (as sublessor) and SPL (as sublessee and bare trustee for Scheme Investors) (being a Separate Collateral Sublease as described in paragraph 20(b) above). This sublease expires on 29 June 2032.



- (c) Attached and marked **DHW-59(a)** to **DHW-59(d)** are true copies of the leases and subleases referred to above.
- (d) For Lot 6 of Plan 156131:
- (i) Lease No. L470429 dated on or about 22 October 2010, between SPL (as lessor) and Quintis Leasing (as lessee and SPL as bare trustee for Scheme Investors) (being a Combined Head Lease and Collateral Sublease as described in paragraph 20(a) above).
 - (ii) Caveat No. L555342 dated on or about 14 February 2011, by SPL (which is referable to Scheme Investors' leasehold interest in their relevant parcel of land via the LMAs and the collateral sublease arrangements referred to above).
 - (iii) Lease No. L732170 dated on or about 2 September 2011, between SPL (as lessor) and Quintis Leasing (as lessee and SPL as sublessee and bare trustee for Scheme Investors) (being a Combined Head Lease and Collateral Sublease as described in paragraph 20(a) above).

Attached and marked **DHW-60(a)** to **DHW-60(c)** are true copies of the lease and caveat documents referred to above.

- (e) For Lot 52 of Deposited Plan 32046:
- (i) Lease No. L470430 dated on or about 22 October 2010, between SPL (as lessor) and Quintis Leasing (as lessee and SPL as sublessee and bare trustee for Scheme Investors) (being a Combined Head Lease and Collateral Sublease as described in paragraph 20(a) above).
 - (ii) Surrender of Lease L470430 (Dealing No. M634812) dated on or about 31 March 2014, (surrendering part of Lease No. L470430 directly above).
 - (iii) Caveat No. L555346 dated on or about 11 February 2011, by SPL (which is referable to Scheme Investors' leasehold interest in their



relevant parcel of land via the LMAs and the collateral sublease arrangements referred to above).

- (iv) Lease No. M663181 dated on or about 5 May 2014, between SPL (as lessor) and Quintis Leasing (as lessee and SPL as sublessee and bare trustee for Scheme Investors) (being a Combined Head Lease and Collateral Sublease as described in paragraph 20(a) above).

Attached and marked **DHW-61(a)** to **DHW-61(d)** are true copies of the documents referred to above.

29. Each of the leases and subleases referred to in paragraph 28 above in relation to the Relevant Land Assets:

- (a) are not, to the best of my knowledge, presently in default;
- (b) if they have expired, to the best of my knowledge, have not been extended; and
- (c) contain terms to the effect that they will terminate on the date that the Relevant Scheme(s) to which they relate are terminated (and as noted below at paragraph 31(d), while the voluntary administrators of SPL have commenced the process of winding up the Relevant Schemes, they have not yet completed this process).

30. Based on my experience as a receiver, in my assessment, to ensure that any leases, subleases or other encumbrances registered against the Relevant Land Assets are removed to enable the sale of the Relevant Land Assets (and in circumstances where these encumbrances would fall away once the termination of the Relevant Schemes has been completed by the voluntary administrators of SPL in any event), the most appropriate course would be:

- (a) to execute a deed of surrender in respect of the leases and subleases referred to in paragraph 28 above and substantially in the form of Annexures A and B to the interlocutory application; and
- (b) for the leases and subleases which have expired, to lodge a general request to the Queensland Titles Office for the removal of the expired leases from the titles.



Winding Up of the Quintis MIS

31. I note the following additional facts that are relevant to this application, which I believe to be true, based on the documents available to me and attached to this affidavit:
- (a) On or about 12 March 2024, the Honourable Justice Cobby delivered ex tempore reasons at the hearing where his Honour made the MIS Winding Up Orders. Attachment DHW-25(a) to the Fourth Woodhouse Affidavit is a true copy of the transcript of the 12 March 2024 hearing before his Honour. In the ex tempore reasons, his Honour stated:
 - (b) "Each of those schemes involved the production of sandalwood for commercial sale. The evidence establishes that in no small part due to the establishment of competing schemes by members of the Quintis Group, of which the plaintiff is a part, it will be an oversupply of sandalwood to the market commencing in 2024, the effect of which will be to reduce the price of sandalwood to an extent that each of the 10 schemes will be unprofitable.
 - (c) I also accept that it is not feasible to harvest and store the sandalwood currently being grown by each scheme and that the continuation of each scheme could well expose the investors to additional costs, which would not be met by the proceeds of sale of sandalwood. A further reason to make the order sought by the plaintiff is that on 6 March 2024, Quintis Leasing, which provides some of the land on which the schemes are conducted, went into liquidation and the plaintiff has had difficulty with accessing some of the land over the last month or so."
 - (d) On or about 15 March 2024, SPL commenced the winding up of the Schemes by filing an ASIC Form 5138 with ASIC in respect of each of the Schemes. I attach and mark **DHW-62** true copies of these ASIC Form 5138 documents.
 - (e) Attachment DHW-26 of the Fourth Woodhouse Affidavit contains true copies of the notices issued by SPL on or about 26 March 2024 referable to the terminations of the TFS 2007 LMA, TFS 2008 LMA, TFS 2009 LMA, TFS 2012 LMA and TFS 2014 LMA (as those LMAs are relevant to the Relevant Land Assets).



- (f) Given the LMAs referable to each of the Schemes (including the Relevant Schemes) have now been terminated pursuant to clause 6.5 of the Scheme Constitutions, the Receivers have taken the view that any ex-Scheme Trees have vested in the relevant landowner (being, in the case of Quintis-Owned Land Assets, the relevant Quintis Group Company landowner and in the case of third-party owned land, that relevant third-party landowner where there is no longer a lease between the third-party landowner and a Quintis Group Company).

Exercise of Court's Discretion

32. If the relief sought in this application was obtained by the Receivers, I (and the Receivers) believe the Receivers would be able to:
- (a) progress the sale of the Relevant Land Assets and ultimately, enter into a binding sale agreement with any prospective purchaser(s); and
 - (b) distribute the proceeds of sale of the Relevant Land Assets and the ex-Scheme Trees on the Voyager Property in accordance with the deeds of appointment annexed at DHW-7 and DHW-8 of the First Woodhouse Affidavit dated 15 April 2024.
33. Based on my experience, it is in the interests of all stakeholders that the Receivers be able to sell and realise proceeds in respect of the Relevant Land Assets (including the ex-Scheme Trees on the Relevant Land Assets and the Voyager Land) as quickly as possible to minimise the costs of and incidental to the receivership and to maximise the likely return to the stakeholders of the receivership.
34. As matters stand, I believe that without the declaratory relief and the directions sought in this application, my co-appointees and I will not be able to enter into any binding sale agreement with any prospective purchaser(s) in respect of the Relevant Land Assets. This is due principally due to concerns that we may be exposed to claims from ex-Scheme Investors to the effect that they have a valid and enforceable interest in the ex-Scheme Trees and/or the Relevant Land Assets (even if those claims ultimately lack merit).



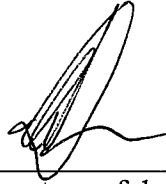
35. As noted above in this affidavit, based on my experience, I am also concerned that, without the declarations and directions sought being made, prospective purchasers will likely be deterred from bidding, and it will be more difficult to sell the Relevant Land Assets.
36. Accordingly, the Receivers respectfully request the relief in the terms set out in the interlocutory process.

Service of this Application and Supporting Affidavit

37. I intend to serve this Application and the Sixth Woodhouse Affidavit (the Relevant Papers) on relevant stakeholders named as defendants in these proceedings by sending a copy of the Relevant Papers by email (or absent an email address, by post) to each named defendant and to the Sandalwood Growers Association and Indian Sandalwood Farming (being organisations which purport to represent one or more of the defendants).
38. In addition, I also propose to cause a copy of the Relevant Papers to be placed on the website maintained by SPL at www.sandalwoodproperties.com.au.
39. I have provided notice of this application to the Liquidators of the Quintis Group Companies via their solicitors, Lavan.

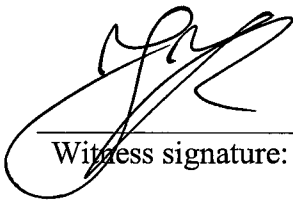


Affirmed by **Daniel Hillston)**
Woodhouse at Perth, Western)
Australia, on 21 August
2024)



[Signature of deponent]

Before me:



Witness signature:

Witness name: **JAKUB PIOTR KORNELUK**

An Australian legal practitioner who has held a practising certificate for at least
2 years and who holds a current practising certificate