

NOTICE FROM
SANDALWOOD PROPERTIES LTD (RECEIVERS AND MANAGERS
APPOINTED) (ADMINISTRATORS APPOINTED) (ACN 093 330 977)
TO EX-SCHEME INVESTORS

Overview

1. We refer to the appointment of:
 - (a) Daniel Woodhouse, Hayden White and John Park of FTI Consulting as the joint and several receivers and managers of Sandalwood Properties Ltd (Receivers & Managers Appointed) (Administrators Appointed) (ACN 093 330 977) (**SPL**) and the Quintis Group Companies on or about 2 April 2024 (**Receivers**); and
 - (b) Richard Tucker and John Bumbak of KordaMentha as the joint and several voluntary administrators of SPL and the Quintis Group Companies on or about 3 April 2024 (**Administrators**)
2. From around the time of the Receivers' appointment, the Receivers have received correspondence from persons claiming to have been investors in managed investment schemes (**Schemes**) managed by SPL (as responsible entity) (and the Quintis Group) (**ex-Scheme Investors**). Those persons have claimed, in effect, that ex-Scheme Investors maintain an interest in relation to the trees previously the subject of the Schemes (**ex-Scheme Trees**), and in particular those on Lot 257 on Deposited Plan 209747, and Lot 240 on Deposited Plan 209468, being the ex-Scheme Trees on Voyager Land in Western Australia.

The Proceedings and Procedural Orders

3. On 8 July 2024, the Receivers filed an interlocutory application for Directions pursuant to s424 Corporations Act 2001 in the Supreme Court of Western Australia Proceedings No. COR 62 of 2024 (**Proceeding**).
4. Pursuant to the orders of the Honourable Justice Strk dated 11 July 2024 (**Orders**), any ex-Scheme Investor who wishes to be heard in the Proceeding must file a notice of appearance by **4:00pm (AWST) on 17 July 2024** and must appear at the hearing of the substantive application as set out in paragraph 5 below.

5. The substantive application for Directions pursuant to s424 Corporations Act 2001 will be heard at **2:00pm on Thursday 18 July 2024** in the Supreme Court of Western Australia.

Receiver Directions

6. Quintis Forestry Pty Ltd is Lessee of two parcels of land at Lot 240 on Deposited Plan 209468 and Lot 257 on Deposited Plan 209747 in Western Australia (known as the **Voyager Land**). The Voyager Land is owned by an unrelated third party, Prime Grain Pty Limited (**Prime Grain**) and the subject of two leases between Prime Grain (as lessor) and Quintis Forestry (as lessee) dated 9 June 2023 (**Voyager Leases**).
 7. In the Proceeding, the Receivers are seeking directions to the effect that pursuant to s424 Corporations Act that the plaintiffs would be acting properly and justified:
 - (a) in treating the sandalwood trees located on Lot 240 on Deposited Plan 209468 and Lot 257 on Deposited Plan 209747 in Western Australia (known as the **Voyager Land**) as being trees previously the subject of the Quintis Managed Investment Schemes (**ex-Scheme Trees**) to which Non-Electing ex-Scheme Investors under clause 16.1(a) of those Quintis Managed Investment Schemes claim to have an interest and that the only interest those ex-Scheme Investors could reasonably claim to have is to share in any proceeds of the sale of those ex-Scheme Trees after deductions by the plaintiffs for marketing and selling fees, annual management fees, rent, incentive fees, deferred fees, restoration fees and/or cost recoveries; and
 - (b) in entering into a sale agreement and paying the net proceeds of sale of the ex-Scheme Trees on the Voyager Land (after deduction of marketing and selling costs) into an interest-bearing escrow account on an interim basis pending determination by the Court, or agreement, as to the distribution of the proceeds of sale;
- (together the **Receiver Directions**).

Next Steps

1. It is highly recommended that from the date of this notice onwards you regularly review www.sandalwoodproperties.com.au as the Receivers may upload additional relevant documents to it (including any orders made by the Supreme Court of Western Australia).

2. If you have any concerns, objections or questions relating to the Proceeding, or if you require copies of the papers lodged with the Supreme Court, please contact the Receivers as soon as possible by calling Matthew Chivers of FTI Consulting on (08) 9321 85333 or by emailing him on Matthew.Chivers@fticonsulting.com. Papers requested will be provided within 1 business day. Any emails that ex-Scheme Investors send to the Receivers will be brought to the attention of the Supreme Court of Western Australia in the Proceeding.
3. You can also instruct a barrister or lawyer to appear on your behalf in the Proceeding. If you propose to take that step, please provide a copy of your correspondence and/or notice of appearance to the Receivers and to the Supreme Court of Western Australia by no later than **4:00pm (AWST) on 17 July 2024**. If you do not enter an appearance by the deadline referred to above, the Supreme Court of Western Australia may determine that you are not entitled to be heard at any subsequent hearing(s) in the Proceeding.