

## Important Update on MIS Sandalwood Projects

### Frequently Asked Questions (FAQ)

This FAQ has been prepared for MIS investors dated 24 January 2024.

Further information, including investor letters and previous FAQ's, can be viewed on the Sandalwood Properties website – [www.sandalwoodproperties.com.au](http://www.sandalwoodproperties.com.au)

Question	Answer
What is the current status of the Project? Has the Project been wound up?	<p>As advised in our 19 December 2023 update, the KPMG's report has shown that investors face significant risk if the Projects are taken to completion. The directors of Sandalwood Properties Ltd (the Responsible Entity for the Projects) have sought to act in the best interest of investors and applied to the Supreme Court of Western Australia (Court) to wind-up the Projects.</p> <p>Importantly, the Projects have not yet been wound-up. It is the Court who will assess the evidence and determine whether it is appropriate to wind-up the Projects.</p>
When is the next Court hearing in relation to the wind-up application?	<p>The next directions hearing in relation to the wind-up application is on 31 January 2024 at 9:30am (AWST) in the Supreme Court of Western Australia.</p>
Can I attend the Court hearing and/or express my views on the wind-up application?	<p>Investors have the right to provide their views on the hearing which will be provided to the Court for the Judge's attention. You can do this in writing by emailing <a href="mailto:projects@sandalwoodproperties.com.au">projects@sandalwoodproperties.com.au</a>.</p> <p>Investors can attend and observe the Court proceedings without formally participating in them.</p>
How can I participate in the Court hearing?	<p>If you would like to be heard at the directions hearing and in respect of the winding-up application, you will need to file an appearance with the Supreme Court by 4:00pm (AWST) on 29 January 2024.</p> <p>You can also instruct a barrister or lawyer to appear on your behalf at the hearing. If you propose to take either of these steps, please provide a copy of your correspondence, or notice of your intention to appear at the hearing to the by no later than 4:00pm (AWST) on 29 January 2024 by way of email to <a href="mailto:sandalwood@lavan.com.au">sandalwood@lavan.com.au</a>.</p> <p>If you do not enter an appearance by the deadline of 4:00pm (AWST) on 29 January 2024, the Court may determine that you are not entitled to be heard at any subsequent hearings.</p> <p>We recommend that you obtain independent legal advice about the application and your rights generally.</p>
If I don't file an appearance does this mean my investment isn't considered in the wind-up application.	<p>No, opting not to file an appearance does not mean your investment will be excluded from consideration in the wind-up application.</p> <p>The application to wind up the scheme applies to the entire project, and its outcome will have implications for all investors involved, regardless of whether they have formally appeared in court or not.</p>

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Question	Answer
What does the Administration of Quintis Leasing Pty Ltd affect my Project?	<p>Quintis Leasing Pty Ltd (Administrators Appointed) leases the land which the projects are situated on from landowner. In light of the KPMG report and SPL's application to wind up the projects, Quintis Leasing has concluded that it cannot fulfill its future lease obligations. This is because it will no longer receive any lease revenue from the projects. As a result, administrators have been appointed.</p> <p>If administrators are unable to obtain additional funding arrangements or restructure Quintis Leasing, there's a high likelihood that landholders will terminate leases and reclaim their land. If leases are terminated and land is reclaimed, the Projects cannot continue, regardless of SPL's application to the Court to wind up the Projects.</p> <p>For further information regarding the administration of Quintis Leasing and associated proceedings please refer to Circular to Growers issued by Korda Mentha on the SPL website – <a href="http://www.sandalwoodproperties.com.au">www.sandalwoodproperties.com.au</a>.</p>