

12 JULY 2016



ANNUAL REPORT PURSUANT TO SECTION 508 OF THE CORPORATIONS ACT 2001

RIVERSIDE RIDGE (QLD) PTY LIMITED
(IN LIQUIDATION)
(RECEIVERS AND MANAGERS APPOINTED) (CONTROLLER APPOINTED)
ACN 055 613 173

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1. Introduction

1.1 Background

On 16 April 2010, Investec Wentworth appointed the Liquidators as administrators of the Company pursuant to Section 436C of the Act. On 24 May 2010 at the Second Meeting of Creditors convened pursuant to Section 439A of the Act, the Creditors of the Company passed a resolution to wind up the Company and the Liquidators were appointed as the liquidators of the Company.

On 25 September 2013, Peter Bernard Allen resigned as liquidator and Quentin James Olde is now the sole Liquidator of the Company.

1.2 Purpose of this Report

This report is prepared pursuant to Section 508 of the Act to provide, amongst other things, the following information to Creditors:

- An account of the acts and dealings of the Liquidator and the conduct of the winding up of the Company for the 12 months commencing 24 May 2015;
- A description of the acts and dealings that remain to be carried out in order to complete the winding up; and
- An estimate of when the winding up is likely to be complete.

An account of the acts and dealings of the Liquidator(s) and the conduct of the winding up of the Company for the period prior to 24 May 2015 is set out in the earlier reports that the Liquidator(s) have lodged with ASIC.

1.3 Glossary

A glossary of the defined terms used in this report appears as Schedule 1.

1.4 Disclaimer

This report is based on information provided to the Liquidator. The Liquidator has no reason to doubt the information provided to the Liquidator. The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. The Liquidator reserves his right to alter any conclusions reached on the basis of any changed or additional information which may become available.

The Liquidator, FTI Consulting and all employees thereof do not accept any responsibility in any way whatsoever to any person in respect of any errors in this report arising from incorrect information provided to the Liquidator.

This report is not for general circulation, publication, reproduction or any other use other than to assist the Creditors evaluate their position in their capacity as creditors of the Company. The report must not be disclosed without the written approval of the Liquidator.

2. Developments for the 12 months commencing 24 May 2015

For the 12 months commencing 24 May 2015, the Liquidator has confined his acts and dealings to his statutory reporting obligations to ASIC and the ATO. This is because:

- There is insufficient available property in the winding up to meet the expense of any additional acts and dealings; and
- No Creditor has expressed an interest in providing funds to the Liquidator to allow him to undertake a more expansive role in the winding up of the Company.

Please refer to Section 545 of the Act for further information about the limited obligations of a liquidator where a winding up is without sufficient available property.

3. Acts and dealings that remain to be carried out

In the absence of any funding, the Liquidator will confine his future acts and dealings to his statutory reporting obligations.

4. Estimate of when the winding up is likely to be complete

The Liquidator does not intend to complete the winding up of the Company until the Receivers and the Mortgagee in Possession each retire their appointments to the assets of the Company. It is not possible to estimate when those entities will each retire as those retirements are dependent on matters outside the control of the Liquidator.

By way of further background:

1. On 16 April 2010, Investec Wentworth appointed the Receivers as receivers and managers of the Company immediately prior to appointing the Liquidators as administrators of the Company;
2. The role of the Receivers is now confined to a single unresolved claim made on the Company's property;
3. On 22 May 2013, Investec Wentworth appointed itself as Mortgagee in Possession and replaced the Receivers in realising real estate owned by the Company in and around Townsville;
4. Investec Wentworth has advised as follows with respect to that real estate:

Development Precincts

- 4.1 Investec Wentworth is subdividing and selling the subdivided real estate.
- 4.2 It is doing so in 2 separate land parcels known as Precincts 1 and 2.

Precinct 1

- 4.3 The subdivision of Precinct 1 is complete and sales have commenced. 11 standard lots (approx. 730sqm each) and 3 super lots (approx. 2Ha each) remain to be sold.

Precinct 2

- 4.4 The subdivision for Precinct 2 is being carried out in stages.

- 4.5 The subdivision of Stages 1 and 1A is complete and sales have commenced. 9 out of 30 lots remain to be sold.
- 4.6 The subdivision of the remaining 3 stages (known as Stages 2 to 4) is at an early stage.
- 4.7 Investec Wentworth has submitted a DA for a further 88 standard lots and is awaiting a formal response from Council.

5. Forecast Return to Ordinary Unsecured Creditors

In the Report to Creditors issued prior to the Second Meeting of Creditors, the Liquidators forecasted a return to Ordinary Unsecured Creditors of \$NIL cents in the dollar. During the winding up to date, no matters have arisen which warrant any change to that forecast return.

6. Receipts and Payments

No receipts and payments occurred in the winding up during the 12 months commencing 24 May 2015.

7. Questions

Please contact Jonathan Chee of this office if you have any questions concerning this Report or the Liquidation generally.

Yours faithfully
Riverside Ridge (QLD) Pty Limited
(In Liquidation)



Q J Olde
Liquidator

Schedule 1: Glossary

| Defined Term | Definition |
|-----------------------------|--|
| Act | Corporations Act 2001 (Cth) |
| ASIC | Australian Securities and Investments Commission |
| ATO | Australian Taxation Office |
| Company | Riverside Ridge (Qld) Pty Limited (In Liquidation) ACN 055 613 173 |
| Creditors | Creditors of the Company who have a claim admissible to proof in the Liquidation of the Company |
| DA | Development Application |
| Investec Wentworth | Investec Wentworth Pty Limited ACN 003 388 725 |
| Liquidator | Quentin James Olde |
| Liquidators | Quentin James Olde and Peter Bernard Allen |
| Mortgagee in Possession | Investec Wentworth |
| Receivers | David Winterbottom and Bill Buckby of KordaMentha |
| Report to Creditors | Administrators' Report dated 17 May 2010 prepared for Creditors in accordance with Section 439A of the Act |
| Second Meeting of Creditors | The Second Meeting of Creditors convened in accordance with Section 439A of the Act |



Quentin Olde
+61 2 8247 8000
quentin.olde@fticonsulting.com

Jonathan Chee
+61 2 8247 8000
jonathan.chee@fticonsulting.com

Liability limited by a scheme approved under Professional Standards Legislation

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