

3 May 2016

Dear Note Holder

**Gippsland Secured Investments Limited
(Receiver and Manager Appointed)
ACN 004 860 057
("GSI")**

I refer to my appointment as Receiver and Manager of GSI (**Receiver**) and to my previous correspondence and that of The Trust Company (Nominees) Ltd (**Trustee**) as trustee of the notes issued by GSI.

Next distribution

In my previous correspondence dated 11 December 2015, I identified that the next distribution in the GSI Receivership of approximately **1 cent in the dollar** would be provided around March 2016 depending on the timing of receipt of dividends from the Lehman Brothers Australia (**LBA**) liquidation, which are outside of my control.

A partial receipt of the anticipated distributions from the LBA liquidation has now been received, with further amounts now expected around May 2016. Accordingly:

- I intend to make a distribution of at least **0.75 cents** in the dollar in **May 2016**
- Depending on the quantum and timing of distributions in the LBA liquidation, the distribution in May 2016 may exceed this amount but will not be greater than **1.5 cents in the dollar**

Total returns

As a result of continued successful asset recoveries, I have upgraded my estimate of the total returns in the GSI Receivership to **90 cents** in the dollar. Accordingly, future distributions of **2 cents** in the dollar (including the May 2016 distribution) are expected.

Queries

The Trustee and Receiver continue our commitment to open and transparent communications with Note Holders and will endeavor to update you again when further information arises. If you have any further queries, you can:

- Visit the GSI website: www.gsi.com.au
- Call the GSI Hotline: 1300 551 378
- Email: GSI@linkmarketservices.com.au

Yours sincerely



Adam Nikitins
Receiver and Manger
Gippsland Secured Investments Limited
(Receiver and Manager Appointed)