

11 December 2015

Dear Note Holder

Gippsland Secured Investments Limited (Receivers and Managers Appointed) ACN 004 860 057 (“GSI”)

I refer to my appointment together with Simon Cathro as Receiver and Manager of GSI (**Receivers**) and to previous correspondence from me and The Trust Company (Nominees) Ltd (**Trustee**) as trustee of the notes issued by GSI.

Proposed future distributions

In previous correspondence, I provided an update that the total returns of the Receivership are expected to be **89 cents** in the dollar, with **88 cents** in the dollar already paid. The timing of the next distribution was dependent on the receipt of funds from the Lehman Brothers Australia liquidation.

I have been in correspondence with the liquidator of Lehman Brothers Australia and have been advised that a dividend is expected to be received by March 2016. Accordingly, I expect to pay the next distribution to GSI Note Holders of approximately **1 cent** in the dollar around this date. I note that the timing and quantum of this distribution may vary, as the receipt of funds in the Lehman Brothers Australia liquidation is dependent on events outside of my control.

Future work of the Receivership

The majority of work in respect to the Receivership is now concluded, however a number of matters remain outstanding:

- ▶ One settlement on a property from the Riviera auctions as well as the conclusion of outstanding issues in relation to equities held and flows of funds
- ▶ Settlement of claims in respect to collateralised debt obligations
- ▶ Disposal of a small number of residual assets of GSI

Queries

The Trustee and Receivers 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 faithfully



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