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TO THE INVESTOR AS ADDRESSED

Our ref 11477677_1

21 April 2011

Dear Sir / Madam

**The Unregistered Managed Investment Schemes detailed at Annexure A and associated Companies detailed at Annexure B (“the Letten Schemes”)
(All Receivers and Managers Appointed)**

I refer to the appointment of Philip Hennessy and myself as Receivers and Managers of the Letten Schemes (“the Schemes”) on 25 February 2010 by the Federal Court of Australia (“the Court”) and previous Circulars to Investors outlining the sale processes that have been undertaken for assets of various Letten Schemes.

The purpose of this letter is to provide an update on certain of those sales processes.

Execution of Further Contracts of Sale

Low Head Joint Venture

Following a robust sale campaign that was facilitated by LJ Hooker and subsequently KnightFrank, Low Head Village Pty Ltd (Receivers and Managers Appointed) has executed a Business Sale Agreement and Property Sale Agreement, in relation to the property and business located at 128-136 Low Head Road, Low Head (“the Low Head Tourist Park”).

Settlement of the sale is scheduled to occur in late May 2011.

Based on the sale price achieved, it is not expected that the secured creditor will recover its debt in full. Accordingly, it is not expected that there will be funds available to meet unsecured creditor claims or contribute to the Common Fund to be distributed to Investors. The sales price achieved is in line with previous expectations.

The Receivers and Managers have been unable to secure an offer to purchase the property at 40 Gunn Parade, Low Head (“the Gunn Parade Land”) at a value that meets the requirements of the secured creditor. Accordingly, the secured creditor intends to take possession of the Gunn Parade Land pursuant to its powers under its mortgage with a view to selling it in the future.

The Receivers and Managers do not object to the proposed actions of the secured lender.

An application has been made to the Court in relation to both of these matters. This is discussed further below.

Glenbelle Project

As indicated previously to Investors, following a robust expression of interest sale campaign that was facilitated by KnightFrank as sales agent, Glenbelle Pty Ltd (Receivers and Managers Appointed) (“Glenbelle”) executed sale agreements in relation to:

- The assets and business associated with food and beverage and conference business operated at the Sebel Heritage Yarra Valley hotel; and
- The Retreat and Spa comprising a gymnasium, two tennis courts, small café, steam room, indoor pool and day spa facility trading as the Mii Spa.

These are collectively referred to as “the Glenbelle Assets”.

The sale of the Glenbelle Assets is subject to the approval of the Court. An application has been made to the Court to approve the sale of the Glenbelle Assets. This is discussed further below.

Based on the sale price achieved, it is not expected that the secured creditor will recover its debt in full from the sale of the Glenbelle Assets alone.

In addition, Investors have been previously advised that Glenbelle has executed a sale agreement in relation to Lot 34 on Plan of Subdivision 415064K comprising the property upon which the conference areas, kitchen, restaurant, bar, storage areas, back of house office and reception desk are located within The Sebel Heritage Yarra Valley hotel (the “Management Lot”).

The contract for the sale of the Management Lot is also subject to the approval of the Court. An application has not yet been made to the Court regarding the sale of the Management Lot. Investors will be advised when this application is made.

Yarra Valley Golf

Following a robust expression of interest sale campaign that was facilitated by KnightFrank as sales agent, Yarra Valley Golf Pty Ltd (Receivers and Managers Appointed) (“YVG”) has executed a Business Sale Agreement and Property Sale Agreement in relation to:

- the St John and Henley golf courses;
- certain buildings and fixtures located at The Heritage Golf and Country Club including the club house located at Heritage Avenue, Chirnside Park, Victoria;
- the shares in Heritage Golf and Country Club Pty Ltd (taking into account the additional memberships available for sale);

- various maintenance sheds and plant and equipment utilised in relation to the operation of the golf club

(collectively the “YVG Property”)

The timing for settlement is dependant upon the satisfaction of certain conditions precedent.

Based on the sale price achieved from the sale of the YVG Property, and the value of the other assets owned by YVG, it is not expected that the secured creditor will recover its debt in full from YVG. Accordingly, it is not expected that there will be funds available to meet unsecured creditor claims or contribute to the Common Fund to be distributed to Investors.

The contract for the sale of the YVG Property is subject to the approval of the Court. Accordingly, an application has been made to the Court to approve the sale. This is discussed further below.

Court Applications

Sale and Control of Letten Scheme Assets

The Receivers and Managers have filed applications with the Court seeking approval of:

- The sale of the Low Head Tourist Park;
- Relinquishment of control of the Gunn Parade Land to the secured creditor;
- The sale of the Glenbelle Assets; and
- The sale of the YVG Property.

These matters are listed for hearing on 13 May 2011 at 10.15am (“the Hearing”).

Investors and creditors may attend the Hearing if they wish to be heard by the Court on the Orders being sought. As a result of the Pooling Orders made by the Court, all Investors may have an interest in the outcome of all Letten Scheme asset realisations. Accordingly, all Investors have been provided with this Circular.

Details of the background to each of the matters subject to the above applications is contained within affidavits that have been filed with the Court. Copies of the affidavits are available to Investors in the Letten Schemes Investor data room located at www.kpmg.com.au/lettenschemes.

Liquidation

As detailed in the Circular to Investors dated 11 February 2011 it is expected that the companies associated with the Letten Schemes will ultimately be placed in liquidation.

To that end, the Australian Securities & Investments Commission (“ASIC”) has filed an application with the Court seeking for selected companies to be placed into liquidation. A listing of the Companies ASIC is seeking to wind up at this time is attached as Annexure C.

The affidavit in support of ASIC's application, together with the orders being sought are available to Investors in the Letten Schemes Investor data room located at www.kpmg.com.au/lettenschemes.

The matter is also listed for hearing on 13 May 2011 at 10.15am.

Further applications to wind up the remaining companies associated with the Letten Schemes is expected to occur in coming months.

Completion of Previous Contracts of Sale

Cimitiere House and George Street

I refer to previous correspondence in relation to the sale of the properties located at 113-115 Cimitiere Street and 34 George Street, Launceston (“the Launceston Properties”).

Settlement of the Launceston Properties occurred on 18 March 2011.

Based on the sales price achieved, the secured debt together with the default interest, legal and accounting costs of the secured lender are not expected to be repaid in full. Consequently, it is not expected that there will be funds available to meet unsecured creditor claims or contribute to the Common Fund to be distributed to Investors. This is in line with previous expectations.

Reef House Resort

I refer to previous correspondence in relation to the sale of the property located at 99 Williams Esplanade, Palm Cove, QLD (“the Reef House Property”).

Based on the sales price achieved, the secured debt together with the default interest, legal and accounting costs of the secured lender are not expected to be repaid in full. Consequently, it is not expected that there will be funds available to meet unsecured creditor claims or contribute to the Common Fund to be distributed to Investors. This is in line with previous expectations.

Settlement of the Reef House Property occurred on 21 April 2011.

Should you have any queries please send an email to lettenschemes@kpmg.com.au or call the Investor hotline on 1800 882 944 (Australia) or +613 9838 4238 (International).

Yours faithfully

A handwritten signature in black ink, appearing to be 'D Templeton', written in a cursive style.

Damian Templeton
Receiver and Manager

Annexure A: KPMG Partners Damian Templeton and Philip Hennessy have been appointed Receivers and Managers to the following schemes:

| Scheme | Description of property |
|--|---|
| Reef House Resort | 99 Williams Esplanade Palm Cove, Qld – The Sebel Reef House Resort |
| Twinview Joint Venture | 167 Flinders Lane, Melbourne, Victoria |
| The Glen Centre Joint Venture | 673–681 Glenferrie Road, Hawthorn, Victoria |
| Nicholson Street Joint Venture | 127-137 Nicholson Street, East Brunswick, Victoria |
| Low Head Joint Venture | 136 Low Head Road George Town, Tasmania, 142 Low Head Road, George Town, Tasmania & 40 Gunn Parade, George Town, Tasmania |
| George Street Joint Venture | 34 George Street, Launceston, Tasmania |
| Cimitiere House Joint Venture | 113 Cimitiere Street, Launceston, Tasmania |
| 211 Wellington Road Joint Venture | 211 Wellington Road, Mulgrave, Victoria |
| Yarra Valley Golf Joint Venture | St John of God's Seminary and Henley Farm, Chirnside Park, Victoria |
| Glenbelle Project | Sebel Heritage Lodge Management Lot, Yarra Valley Golf Course, Chirnside Park, Victoria |
| Healesville Walk Shopping Centre Joint Venture | 251-263 Maroondah Highway, Healesville, Victoria |
| Howleys Road Joint Venture | 40-48 Howleys Road, Notting Hill, Victoria |
| Queen Street Joint Venture | 118 Queen Street, Melbourne, Victoria |
| Simms Investment Project | 626 Pittwater Road, Brookvale, NSW |
| National Boulevard Joint Venture | 144 National Boulevard, Campbellfield, Victoria |
| SY21 Retail Complex Project | Either 50% of the shares in SY21 Retail Pty Ltd or the property located at 720–760 Chapel Street, South Yarra, Victoria (awaiting determination of the Court) |
| Tomasetti House Joint Venture | 277-279 Flinders Lane, Melbourne, Victoria |
| Aurora Park Project | 443-447 Warringah Road, Frenchs Forest, New South Wales |
| Moorhouse Shopping Centre Project | 343-359 Moorhouse Avenue, Christchurch, New Zealand |
| Cass Bay Spur Project | 60 Governors Bay Road, Cass Bay, Lyttelton Harbour, New Zealand |
| Mount Hutt Project | McLennans Bush Road, Methven, New Zealand |

Annexure B: KPMG Partners Damian Templeton and Philip Hennessy have been appointed Receivers and Managers to the following companies:

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| LGH Holdings Limited ACN 077 191 943 | Glenbelle Pty Ltd ACN 097 306 646 |
| 211 Wellington Road Pty Ltd ACN 092 663 860 | Glenvale Way Pty Ltd ACN 088 287 021 |
| Bluemist Holdings Pty Ltd ACN 097 306 922 | Greenview Lane Pty Ltd ACN 093 505 312 |
| Dellwood Holdings Pty Ltd ACN 098 505 803 | Hallmark Corporation Pty Ltd ACN 083 180 812 |
| Enmore Enterprises Pty Ltd ACN 082 158 487 | Moorleigh Holdings Pty Ltd ACN 088 287 058 |
| Firbank Arch Pty Ltd ACN 059 464 381 | Norton Ridge Pty Ltd ACN 078 821 066 |
| Glenline Pty Ltd ACN 098 532 364 | Raleigh Glen Pty Ltd ACN 088 204 380 |
| Gerling Holdings Pty Ltd ACN 091 726 457 | Redcrest Holdings Pty Ltd ACN 100 836 486 |
| LGH Administration Pty Ltd ACN 077 165 069 | Suri Corporation Pty Ltd 093 505 321 |
| LGH Finance Pty Ltd ACN 078 859 248 | Sutton Rise Pty Ltd ACN 088 204 399 |
| Low Head Village Pty Ltd ACN 091 731 958 | The Virtual Mlmer Pty Ltd ACN 065 374 665 |
| Nicholson Street Pty Ltd ACN 069 104 089 | Tivendale Pty Ltd ACN 093 505 349 |
| Holloway Crest Pty Ltd ACN 091 731 967 | Tulloch Downes Pty Ltd ACN 078 895 048 |
| Rosebery Enterprises Pty Ltd ACN 091 826 229 | Maining Pty Ltd ACN 100 790 485 |
| Simms Investments Pty Ltd ACN 093 504 511 | Topglen Pty Ltd ACN 096 857 564 |
| The Glen Centre Hawthorn Pty Ltd ACN 089 906 543 | Maywood Investments Pty Ltd ACN 091 599 218 |
| Castello Holdings Pty Ltd ACN 088 204 175 | Aranbay Pty Ltd ACN 098 532 319 |
| Twinview Nominees Pty Ltd ACN 097 307 278 | Melville Corporation Pty Ltd ACN 091 911 045 |
| Yarra Valley Golf Pty Ltd ACN 066 632 479 | Tilley Lane Pty Ltd ACN 086 136 361 |
| Adina Rise Pty Ltd ACN 083 181 122 | Allblue Pty Ltd ACN 100 836 388 |
| Albright Investments Pty Ltd ACN 088 204 166 | Acetrain Pty Ltd ACN 100 820 282 |
| Ashfield Rise Pty Ltd ACN 093 504 806 | Sage Bay Pty Ltd ACN 097 306 628 |
| Bradfield Corporation Pty Ltd ACN 088 204 371 | Tobago Holdings Pty Ltd ACN 093 504 520 |
| Copeland Enterprises Pty Ltd ACN 093 504 824 | HPSC Pty Ltd ACN 059 930 139 |
| Devlin Way Pty Ltd ACN 088 264 813 | Jensdale Pty Ltd ACN 098 367 974 |
| First Hazelwood Pty Ltd ACN 093 505 303 | Oakdale Rise Pty Ltd ACN 091 598 908 |

Annexure C: Companies subject to ASICs wind up application:

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| LGH Holdings Limited ACN 077 191 943 | Twinview Nominees Pty Ltd ACN 097 307 278 |
| 211 Wellington Road Pty Ltd ACN 092 663 860 | Melville Corporation Pty Ltd ACN 091 911 045 |
| Bluemist Holdings Pty Ltd ACN 097 306 922 | Tilley Lane Pty Ltd ACN 086 136 361 |
| Dellwood Holdings Pty Ltd ACN 098 505 803 | Maywood Investments Pty Ltd ACN 091 599 218 |
| Enmore Enterprises Pty Ltd ACN 082 158 487 | Acetrain Pty Ltd ACN 100 820 282 |
| Gerling Holdings Pty Ltd ACN 091 726 457 | Sage Bay Pty Ltd ACN 097 306 628 |
| LGH Administration Pty Ltd ACN 077 165 069 | Tobago Holdings Pty Ltd ACN 093 504 520 |
| Simms Investments Pty Ltd ACN 093 504 511 | HPSC Pty Ltd ACN 059 930 139 |
| The Glen Centre Hawthorn Pty Ltd ACN 089 906 543 | Jensdale Pty Ltd ACN 098 367 974 |
| Castello Holdings Pty Ltd ACN 088 204 175 | Oakdale Rise Pty Ltd ACN 091 598 908 |