

**Lift Capital Partners Pty Limited ACN 111 015 500  
Lift Capital Nominees No. 1 Pty Limited ACN 112 913 532  
(In Liquidation) (Scheme Administrators Appointed)  
(Collectively referred to as "Lift")**

**Update Regarding Schemes of Arrangement**

**8 September 2010**

We refer to our previous update to Scheme Creditors dated 18 June 2010 (capitalised terms in this update have the same meaning as those defined in our previous updates).

As Scheme Creditors are aware, prior to the Scheme Meetings, the Famularo Companies submitted proofs of debt for voting purposes. The Chairman of the Scheme Meetings valued those proofs of debt at nil and did not permit the Famularo Companies to vote. The Famularo Companies opposed the approval of the Schemes by the Federal Court and appealed the treatment of their proofs of debt, contending that they were creditors of Lift. The Federal Court did not accept those submissions and approved the Schemes. The Famularo Companies then unsuccessfully appealed to the Full Federal Court and also applied for, but did not obtain, leave to appeal to the High Court.

The dismissal of the application to appeal to the High Court caused the 'Release Date' under the Schemes to be 3 August 2010. In accordance with the Schemes, the following takes place on the Release Date:

- + The various releases and indemnities between Lift, Merrill Lynch and Lift Clients come into effect;
- + The Swaby and Crabb Claimants' claims against Lift are released;
- + The Merrill Lynch cash contribution of \$10.3 million is released from Trust and held by the Scheme Administrators; and
- + The Surplus Securities are released to the Scheme Administrators.

Since the Release Date, we have undertaken the following:

- + Returned the cash component of the Surplus Securities to Lift Clients;
- + Sold Surplus Securities on behalf of Lift Clients and provided the sale proceeds to Lift Clients;
- + Commenced the process of returning securities to Lift Clients;
- + Declared a first interim Scheme Dividend of 65 cents in the dollar to Lift Clients; and
- + Declared a first interim Scheme Dividend of 52.5 cents in the dollar to Trade and Other Creditors.

It is possible that we will declare a further Scheme Dividend once the residual issues in the Liquidations and Schemes of Arrangement have been finalised. We do not expect to declare a further Scheme Dividend until at least December 2010.

We will report to creditors and members in December 2010 for the purposes of providing an account of the acts and dealings of the Liquidators and of the conduct of the winding up.

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Should you have any queries regarding the above, please contact Ms Leah Diprose of this office on telephone number (02) 9248 9927.

Yours faithfully

*Lift Capital Partners Pty Limited (In Liquidation) (Scheme Administrators Appointed)*

*Lift Capital Nominees No.1 Pty Limited (In Liquidation) (Scheme Administrators Appointed)*



J D Hayes  
Liquidator  
Scheme Administrator



A G McGrath  
Liquidator  
Scheme Administrator