

## **TO INVESTORS**

21 February 2012

**EQUITITRUST INCOME FUND ARSN 089 079 854 (“EIF”)  
(RECEIVER APPOINTED) (“The Fund”)**

### **1. Introduction**

I refer to my first report to investors dated 1 February 2012 in which, amongst other things, I advised that I would post monthly updates on the website [www.equitrust.com.au](http://www.equitrust.com.au) in relation to the progress of the winding up of the EIF.

There have been several significant developments over the last three weeks that warrant a further report at this time, and which I comment on as follows:

### **2. Appointment of Voluntary Administrators to Wirrina Resort and Conference Centre Pty Ltd (“WRCC”)**

WRCC is a subsidiary of Wirrina Corporation Pty Ltd which is in turn a subsidiary of Equitrust Ltd (“Equitrust”) as responsible entity for the EIF.

Wirrina Corporation Pty Ltd is the mortgagee in respect of loans made to Sunset Cove Developments Pty Ltd and which were assigned from a subsidiary of Octaviar Ltd (formerly MFS) in 2010.

The loans and the security for the loans are held on behalf of the EIF. WRCC operated the resort and golf course at Wirrina Cove, South Australia.

Mark McIvor is the sole director of WRCC.

As you are aware, I was appointed by the Court as Receiver of the assets of the EIF and the person responsible for ensuring that the fund is wound up in accordance with its constitution. Notwithstanding this and my prior written instructions not to do so, Mark McIvor appointed David Ross, Blair Pleash and Richard Albarran of Hall Chadwick as Voluntary Administrators of WRCC on 3 February 2012 without any prior reference to me.

As a result of subsequent discussions with Mr McIvor, I have formed the view that Mr McIvor may have made this appointment without a full understanding of the legal structure of the resort and surrounding land and funding arrangements for the resort. This included that the Administrators had no right to trade the business as the liquor and gaming licences were in the name of Wirrina Corporation Pty Ltd.

Notwithstanding the appointment of administrators to WRCC, the resort and golf course is now continuing to trade through Wirrina Corporate Pty Ltd with my support as the Receiver.