

1 July 2026

CIRCULAR TO CREDITORS AND UNITHOLDERS

Dear Sir/Madam

Falcon Capital Limited (In Liquidation) ACN 119 204 554 (“Falcon”) as Responsible Entity of the First Guardian Master Fund (ARSN 635 429 113)

Re: Deed of Settlement with Western Subdivisions Pty Ltd (“Western Subdivisions”)

I refer to:

- the appointment of Ross Blakeley and I, Paul Harlond, as Joint and Several Liquidators (“**Liquidators**”) of Falcon by order of the Federal Court of Australia on 9 April 2025; and
- the Liquidators previous Updates and Reports to Creditors and Unitholders available at FTI Consulting’s Falcon Capital Limited (In Liquidation) creditor portal.

The purpose of this circular is to:

- provide the creditors of Falcon, and the unitholders of the First Guardian Master Fund, with background in relation to a settlement deed which the Liquidators have caused Falcon to enter into with Western Subdivisions, for which settlement we are seeking Court approval. This conditional settlement has been reached following the completion of significant investigations including public examinations of relevant parties. Detailed herein are the reasons why the Liquidators consider the settlement to be the best commercial outcome available to Falcon; and
- notify creditors of Falcon, and the unitholders of the First Guardian Master Fund, that the Liquidators are also seeking Court approval of agreements for legal services entered into with the Liquidators’ solicitors.

The Liquidators are not providing a wider update in relation to other asset recoveries at this time, save to note that the Liquidators continue to progress their investigations and are taking various steps in similarly determining the position of other investments and seeking further recoveries. Creditors and unitholders should otherwise refer to our previous reports for detail regarding other investments and the liquidation of Falcon and the winding-up of the First Guardian Master Fund more generally.

A. Western Subdivisions Investment

By way of background:

1. Prior to the appointment of the Liquidators, on 22 May 2024, Falcon entered a loan agreement with Western Subdivisions pursuant to which Falcon agreed to provide a facility up to \$33.5 million (“**WS Loan**”) to Western Subdivisions to fund the purchase of 335 – 415 Hamilton Hwy, Fyansford, Victoria (“**Fyansford Property**”). The loan agreement acknowledged that, as at 15 May 2024, \$23 million of the \$33.5 million facility had already been advanced by Falcon to Western Subdivisions.

2. The loan provided under the WS loan agreement is unsecured. It relies entirely on the creditworthiness of Western Subdivisions for repayment. As noted below, Western Subdivisions appears to have no assets available to repay the loan.
3. The Liquidators investigations indicate that, in addition to advancing funds to Western Subdivisions under the WS loan agreement, Falcon in its capacity as trustee of sub-trusts of the First Guardian Master Fund also advanced funds to other entities controlled by the director of Western Subdivisions, Mr Guerinat ("**Guerinat Group**"), prior to entering the WS Loan, including for the purpose of funding the purchase of land at 1190 Doherty Road, Tarneit, Victoria ("**Doherty Rd Property**"). These advances were not the subject of any written agreement, but appear to form part of the \$23 million worth of advances acknowledged in the WS loan agreement.
4. The Liquidators' investigations to date have determined that:
 - a. in total, Falcon advanced around \$38.3 million to the Guerinat Group between 10 June 2020 and 13 February 2025, including pursuant to the WS loan agreement;
 - b. some but not all of that money was used by Western Subdivisions to pay option and option extension fees in respect of its proposed acquisition of the Fyansford Property; and
 - c. Western Subdivisions does not have the ability to repay the WS Loan.
5. The Fyansford Property was the subject of a number of option and options extension agreements between May 2018 and January 2024 under which Western Subdivisions was granted an option to purchase the Fyansford Property. Under the terms of the WS Loan, Western Subdivisions was permitted to use the funds advanced by Falcon to pay:
 - a. option fees under the option agreements in respect of the Fyansford Property; and
 - b. "working capital" requirements of Western Subdivisions and any related body corporate of Western Subdivisions or Western Subdivisions' director.
6. While Western Subdivisions ultimately exercised its option to purchase the Fyansford Property, it nominated a substitute purchaser, Blackrock Property Holdings (VIC) Pty Ltd ("**Blackrock**") in its capacity as trustee for the Blackrock Property Holdings (VIC) Unit Trust ("**Blackrock Trust**"), to acquire that property in its place. Mr Guerinat is the sole director of Blackrock. In consequence, when the sale of the Fyansford Property settled on 30 May 2025, Blackrock, rather than Western Subdivisions became the registered proprietor of that property.
7. The purchase price of the Fyansford Property was \$53.2 million plus GST. Blackrock needed to borrow additional funds in order to settle the purchase of the Fyansford Property. RMBL Investments Limited, a first mortgage fund, provided funding to Blackrock to complete and settle the purchase of the Fyansford Property and is owed a significant amount of money. RMBL has a first-ranking registered mortgage over that property. Falcon has no security over that property. Any interest which Falcon might have in the Fyansford Property ranks behind RMBL's mortgage.

8. Based on the Liquidators' calculations, the total debt owed to Falcon as at 20 June 2026 under the WS Loan Agreement is approximately \$37 million, inclusive of interest.

B. Recovery of Western Subdivisions Investment

9. Based on the Liquidators' investigations, Western Subdivisions (the borrower under the WS Loan Agreement) has no material assets.
10. The Liquidators have conducted public examinations of Mr Guerinat as a part of their investigations and obtained documents relevant to the recoverable value of the assets owned by the Guerinat Group.
11. The Liquidators have been in negotiation with Mr Guerinat since at least December 2025 to reach an agreement with respect to the WS Loan and other advances which results in the best possible outcome for Falcon and unitholders of the First Guardian Master Fund.
12. On 12 June 2026, Falcon entered into a deed of settlement with Western Subdivisions, its director Mr Guerinat and other members of the Guerinat Group ("**Deed of Settlement**"). The Deed of Settlement is subject to Falcon obtaining court approval for the settlement under section 477(2A) of the *Corporations Act 2001* (Cth) ("**the Act**").
13. Under the Deed of Settlement, Falcon has agreed to compromise its claims against Western Subdivisions, the Guerinat Group and its director Mr Guerinat for \$2.85 million, together with a \$50,000 contribution towards the legal costs of obtaining court approval for the settlement (for a total of \$2.9 million) ("**Settlement Sum**"). The Settlement Sum is payable within 2 days of court approval of the settlement, with \$1 million of that sum already held in trust pending release when court approval is given.
14. Mr Guerinat has advised the Liquidators that this money has been raised from third parties outside the Guerinat Group.
15. The Liquidators consider this settlement provides a better net commercial outcome for Falcon and its stakeholders than alternative options such as litigation against the Guerinat Group including because:
 - a. Western Subdivisions does not own the Fyansford Property and appears to have no assets from which it could repay the WS Loan;
 - b. the Liquidators do not have any contractual right to recover funds advanced to any other members of the Guerinat Group;
 - c. the Liquidators consider that, even if Falcon could obtain a court judgment against other members of the Guerinat Group in respect of the money Falcon advanced to those members, which is uncertain (and likely to be the subject of contested, prolonged and expensive litigation), Guerinat Group members are unlikely to be able to satisfy that judgment; and
 - d. if Falcon was unsuccessful in litigation against any Guerinat Group entities, it may have exposure to adverse costs.

16. The Liquidators fully acknowledge that the commercial recovery in respect of the Western Subdivisions Investment under the Deed of Settlement is much less than unitholders in the FGMF would have expected based on disclosures made by Falcon prior to the Liquidators appointment and the valuation of the investment at the time of our appointment. However, the Liquidators are of the view that the Settlement Sum exceeds the net current recoverable commercial value of the Western Subdivisions Investment.

C. Application to approve Settlement

17. The Liquidators are required pursuant to sections 477(2A) and (2B) of the Act to seek the approval of the Court to:

- a. compromise any debts owed to Falcon in excess of \$100,000; and/or
- b. have obligations which endure for more than three (3) months.

18. The Liquidators hereby give notice that on 1 July 2026, an interlocutory process was lodged with the Federal Court of Australia seeking the Court's approval of the Deed of Settlement ("Application"). The interlocutory application and a copy of the Liquidators' open affidavit are enclosed for your reference.

D. Application to approve retainer agreements with Mallesons and Mills Oakley

19. The Liquidators have entered into agreements for legal services with Mallesons and Mills Oakley. The Liquidators are also seeking the approval of the Court in respect of these agreements under s 477(2B) of the Act as a part of the Application. These agreements are on standard terms that the Liquidators consider are customary for the provision of legal services in Australia.

The Liquidators advise they have also lodged a confidential affidavit with the Court in support of the application. This affidavit is confidential on the basis that a disclosure of any of the information contained in this affidavit to the public may prejudice the conduct of Falcon's liquidation and the pursuit of other claims which may be open to Falcon in future.

Should you have any queries, or wish to be heard in relation to the application, you may contact this office by email at falcon.investors@fticonsulting.com.

Yours faithfully



Paul Harlond

Joint and Several Liquidator

Encl.

Affidavit

No. VID 199 of 2025

Federal Court of Australia
District Registry: Victoria
Division: General

Australian Securities and Investments Commission

Plaintiff

Falcon Capital Limited (in liquidation) & Ors

Defendants

Affidavit of: **Paul Stuart Harlond**
Address: Level 50, Bourke Place, 600 Bourke Street, Melbourne VIC 3000
Occupation: Registered liquidator and chartered accountant
Date: 30 June 2026

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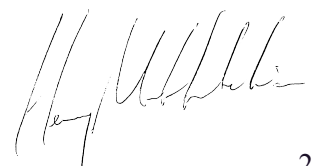
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1	Affidavit of Paul Stuart Harlond		1 - 28
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I, Paul Stuart Harlond, of Level 50, Bourke Place, 600 Bourke Street, Melbourne, VIC 3000, Australia, Registered Liquidator and Chartered Accountant, affirm:

A. INTRODUCTION

1. I am a Senior Managing Director in the Corporate Finance practice of the professional services firm trading as FTI Consulting, and a Registered Liquidator.
2. I am one of two joint and several liquidators of the first defendant, Falcon Capital Limited (in liquidation) (ACN 119 204 554) (**Falcon**). Ross Andrew Blakeley is the other liquidator. I am authorised by Mr Blakeley to make this affidavit on his behalf. References in this affidavit to **'we', 'our', 'us'** or **'the Liquidators'** are references to Mr Blakeley and myself.

3. I make this affidavit:
 - (a) in my capacity as joint and several liquidator of Falcon;
 - (b) with the support of my fellow liquidator, Mr Blakeley; and
 - (c) in support of an application pursuant to sections 477(2A), 477(2B) and 1322(4)(a) of the *Corporations Act 2001* (Cth) (**Act**), and s 90-15 of the Insolvency Practice Schedule (Corporations) (being Schedule 2 to the Act), with respect to Falcon's entry into a settlement deed dated 12 June 2026 (**Settlement Deed**) (**Application**).
4. As I explain below, the Settlement Deed compromises a debt owed to Falcon by Western Subdivisions Pty Ltd (ACN 647 813 081) (**Western Subdivisions**) under a loan agreement dated 22 May 2024, as well as possible related claims against related persons. The Settlement Deed is subject to court approval.
5. Unless otherwise stated, I make this affidavit from my own knowledge. Where I depose to matters on the basis of information provided to me by others, I believe those matters to be true.
6. In making this affidavit, I do not intend to waive privilege. To the extent that anything in this affidavit may be construed as involving a waiver of privilege, I withdraw and do not rely on that part of the affidavit.
7. Shown to me at the time of affirming this affidavit is a paginated bundle of documents marked exhibit '**PSH-3**'. References in this affidavit to page numbers are to documents appearing at the relevant page number, or page range, within '**PSH-3**'.
8. I have previously affirmed two affidavits in this proceeding:
 - (a) an affidavit made on 2 December 2025 (**First Harlond Affidavit**); and
 - (b) an affidavit made on 24 December 2025 (**Second Harlond Affidavit**).
9. I made the First and Second Harlond Affidavits in support of our application dated 24 December 2025 for orders, amongst others, approving our remuneration in the period from our appointment on 9 April 2025 to 31 October 2025 (which have since been made).
10. The First Harlond Affidavit sets out the background to our appointment and the work we had undertaken, to the date of that affidavit and amongst other things, with respect to the 'Western Subdivisions investment' the subject of the Settlement Deed.
11. At the same time as making this affidavit, I am also making a second, confidential, affidavit in support of the Application (**Confidential Harlond Affidavit**). The Confidential Harlond Affidavit sets out:



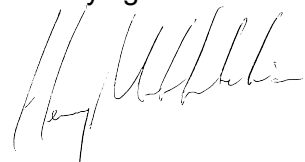
- (a) the investigations we have undertaken into potential claims that may be available to Falcon and/or the Liquidators against Abdullah Guerinat and entities related to Mr Guerinat associated with the 'Western Subdivisions Investment';
- (b) the prospects of a successful recovery action or actions against those persons;
- (c) the funding position of the Liquidators; and
- (d) the exchange of settlement offers which preceded entry into the Settlement Deed.

B. PROFESSIONAL EXPERIENCE

- 12. I have over 19 years of experience in insolvency, corporate recovery and restructuring, and strategic and independent business reviews for a large range of entities. During that period, I have been involved in numerous external administration appointments.
- 13. I have been a registered liquidator since June 2020. Mr Blakeley has been a registered liquidator since February 2002.

C. BACKGROUND TO PRESENT APPLICATION

- 14. As set out in section C of the First Harlond Affidavit:
 - (a) Falcon was incorporated on 10 April 2006;
 - (b) Falcon became a public company on 28 June 2010, but has never been listed;
 - (c) on 23 August 2019, Falcon established the First Guardian Master Fund (**FGMF**) and appointed First Guardian Capital Pty Ltd (**FG Capital**) as its investment manager;
 - (d) the FGMF:
 - (i) is a registered managed investment scheme (ARSN 635 429 113) which takes the form of a unit trust;
 - (ii) has Falcon as its responsible entity and trustee;
 - (iii) has three wholly-owned sub-trusts, being trusts in which Falcon in its capacity as trustee for the FGMF is the sole unitholder and of which Falcon is also trustee, namely the First Guardian Global Income Fund (**GIF**), the First Guardian Australian Development Fund (**ADF**) and the First Guardian Global Equity Fund (**GEF**) (together, the **Underlying Funds**);
 - (e) Falcon raised money by the sale of (various classes of) units in the FGMF to investors; and
 - (f) the FGMF had various classes of units on issue from time to time, with each class having a different interest or combination of interests in the Underlying Funds.



15. On 9 April 2025, the Court made orders in this proceeding, amongst others:
 - (a) winding up Falcon pursuant to s 461(1)(k) of the Act;
 - (b) appointing us as its liquidators; and
 - (c) directing us to wind up the FGMF and five other funds of which Falcon is trustee, including the Underlying Funds.
16. As at the date of our appointment, the FGMF's only assets were its unit-holdings in the Underlying Funds. The pre-appointment cash at bank position of the GIF and the GEF was \$48,651.66 and \$13,510.70 respectively. The ADF held negative pre-appointment cash at bank of (\$18.54). Falcon's pre-appointment cash at bank position, held in its personal capacity, was \$1,868,838.03. Falcon also owned a Lamborghni Urus, which has since been recovered and sold by the Liquidators for \$336,454.44 excl. GST.
17. Following our appointment, we became aware that the accounts of Falcon in its capacity as trustee for the GIF recorded on the GIF balance sheet an asset described as the 'Western Subdivisions Investment' with an ascribed book value of \$40,359,500 as at 9 April 2025 (being the book value of the asset at our appointment) (**Western Subdivisions Investment**). In Falcon's books and records, I located a loan agreement between Falcon and Western Subdivisions (**Loan Agreement**). A copy of that loan agreement, dated 22 May 2024, is at **pages 30 to 67 of PSH-3**. I have inferred that the 'Western Subdivisions Investment' refers to a loan advanced under that agreement.
18. As set out at paragraphs 27 to 34 below, it appears that the funds advanced as a part of this investment were advanced not only to Western Subdivisions, but also to a number of different entities associated with Western Subdivisions' sole director and shareholder, Abdullah Guerinat (also known as Abidal Guerinat) (**Mr Guerinat**).
19. As set out in paragraphs 67 to 74 of the First Harlond Affidavit, the treatment of the Western Subdivisions Investment in Falcon's books has changed over time. Relevantly, the book value of the investment was recorded in Falcon's accounts as:
 - (a) \$21,490,000 as at March 2024, as a property asset in the ADF;
 - (b) \$34,399,500 as at June 2024, as a loan receivable asset in the GIF;
 - (c) \$40,199,500 as at December 2024, as a loan receivable asset in the GIF; and
 - (d) \$40,359,500 as at 9 April 2025, as a loan receivable asset in the GIF.
20. Based on our investigations to date, which have included:
 - (a) reviewing Falcon's books and records;

- (b) conducting public examinations of various of Falcon's directors, including the second and third defendants to this proceeding, David Anderson (**Mr Anderson**) and Simon Selimaj (**Mr Selimaj**) respectively, in December 2025 and April 2026;
- (c) conducting public examinations of Mr Guerinat on 8 December 2025 and 2 April 2026; and
- (d) examining documents produced by Mr Guerinat pursuant to his examination summons or in the course of his examinations; and
- (e) reviewing underlying bank statements,

we have identified as follows.

21. As explained further below, the Western Subdivisions Investment recorded in Falcon's accounts relates to FGMF monies which Falcon advanced, or caused through third parties to be advanced, to Mr Guerinat and entities associated with Mr Guerinat, between 10 June 2020 and 13 February 2025, seemingly for the purpose of funding or partially funding the purchase of land at:

- (a) 1190 Doherty Road, Tarneit VIC 3029 (more particularly described in certificate of title volume 8954 folio 162) (**Tarneit Property**) by Rajomon Asset Management Pty Ltd (ACN 634 787 974); and
- (b) 335-415 Hamilton Highway, Fyansford VIC 3218 (more particularly described in certificate of title volume 9297 folio 213) (**Fyansford Property**) by Western Subdivisions,

and with a view to property development projects being undertaken on that land.

22. Mr Guerinat is and was at all material times the sole director and shareholder of:

- (a) 1190 Doherty Rd Pty Ltd (ACN 643 890 733) (**1190 Doherty**);
- (b) A.C.N 634 787 974 Pty Ltd (**Rajomon Asset Management**);
- (c) AG Holdings (Flessler Rd) Pty Ltd (ACN 660 222 702) (**AG Flessler**);
- (d) Blackrock Property Holdings (VIC) Pty Ltd (ACN 685 906 852) (**Blackrock**);
- (e) Rajomon Pty Ltd (ACN 640 689 498) (formerly A.C.N. 640 689 498 Pty Ltd) (**Rajomon**);
- (f) Rajomon Holdings Pty Ltd (ACN 643 891 034) (**Rajomon Holdings**);
- (g) Istithmar Capital Pty Ltd (ACN 631 609 615) (**Istithmar**); and
- (h) Western Subdivisions

(together, the **Rajomon Entities**).

23. As explained further below, the Liquidators have ascertained that funds which Falcon advanced to Rajomon Asset Management and Western Subdivisions were thereafter transferred to an additional entity, Archer Synergies Pty Ltd (ACN 653 686 152) (**Archer Synergies**).
24. Archer Synergies appears to be part of a larger group of companies of which Mr Guerinat is also a director and shareholder (excluding Archer Synergies itself), including:
- (a) Archer Synergies 2 Pty Ltd (ACN 661 780 678);
 - (b) Archer Synergies 3 Pty Ltd (ACN 663 601 081);
 - (c) Archer Synergies 323 Jetty Pty Ltd (ACN 664 634 119); and
 - (d) Archer Synergies Derrimut Pty Ltd (664 634 128).
- (together, the **Archer Synergies Group**).
25. In this affidavit, I refer to the Rajomon Entities and the Archer Synergies Group collectively as the **Guerinat Entities**.
26. Now produced and shown to me at **pages 68 to 200 of PSH-3** are current and historical ASIC company searches for each of the Guerinat Entities dated 29 June 2026. The company searches record the following about the Guerinat Entities:

Company	Incorporated	Former name(s)	Paid-up capital
Istithmar	12 Feb 2019	N/A	\$100
Rajomon Asset Management	10 Jul 2019	Spruce Projects Pty Ltd from 20 Oct 2021 to 11 Dec 2022. Rajomon Asset Management Pty Ltd from 10 Jul 2019 to 19 Oct 2021.	\$100,100
Rajomon	4 May 2020	A.C.N. 640 689 498 from 4 May 2020 to 5 Aug 2020.	\$100
Rajomon Holdings	28 Aug 2020	N/A	\$100

Company	Incorporated	Former name(s)	Paid-up capital
1190 Doherty	28 Aug 2020	N/A	\$100
Western Subdivisions	9 Feb 2021	Garnata Investments Pty Ltd from 21 Oct 2022 to 17 Mar 2024. Rajomon Fyansford Pty Ltd from 9 Feb 2021 to 17 Mar 2024.	\$100
Archer Synergies	14 Sep 2021	N/A	\$150
AG Flesser	16 Jun 2022	N/A	\$12
Archer Synergies 2 Pty Ltd	17 Aug 2022	N/A	\$120
Archer Synergies 3 Pty Ltd	4 Nov 2022	N/A	\$120
Archer Synergies 323 Jetty Pty Ltd	21 Dec 2022	N/A	\$120
Archer Synergies Derrimut Pty Ltd	21 Dec 2022	N/A	\$120
Blackrock	2 Apr 2025	N/A	\$12

Funds advanced by Falcon in respect of the Western Subdivisions Investment

27. The Liquidators have conducted extensive investigations to determine the quantum of funds advanced by Falcon to third parties in respect of the Western Subdivisions Investment, and to whom those funds were advanced.
28. Based on the Liquidators' review of bank statements and other material (described further below), we understand that between 10 June 2020 and 13 February 2025, Falcon advanced, or caused to be advanced, funds raised by it as responsible entity of the FGMF to the following persons or entities:

Payment Summary - Rajomon Entities, Cornerstone & Tax E		
Recipient Entity	Tracing methodology	Amount
Rajomon Entities		

Payment Summary - Rajomon Entities, Cornerstone & Tax E		
Western Subdivisions Pty Ltd	Account-to-account tracing	(12,400,000)
A.C.N. 634 787 974 Pty Ltd (formerly Spruce Projects Pty Ltd, formerly Rajomon Asset Management Pty Ltd)	Account-to-account tracing	(4,577,000)
Rajomon Pty Ltd	Account-to-account tracing	(6,633,000)
Istithmar Capital Pty Ltd	Account-to-account tracing	(75,569)
<i>Rigby Cooke (the Liquidators understand that this was received by Rigby Cooke, a law firm, on behalf of a Rajomon Entity) – see further explanation below (at paragraph 29(b))</i>	Documentary tracing	(1,400,000)
<i>Abdullah Guerinat</i>	Bank Statement description tracing	(630,000)
<i>Nevett Ford (the Liquidators understand funds were advanced to Nevett Ford, a law firm acting for Resimax, on behalf of Western Subdivisions for payment of option fees on the Fyansford Property) – see further explanation below (at paragraph 29(b))</i>	Documentary tracing	(1,100,000)
Total Rajomon Entities		(26,815,569)
<i>Cornerstone and Tax E (intermediate recipients)</i>		
Cornerstone Strategic Management Pty Ltd (Cornerstone)	Account-to-account tracing	(7,870,000)
Tax E Australia Pty Ltd (Tax E)	Account-to-account tracing	(11,760,000)
Total (Tax E and Cornerstone)		(19,630,000)
Total		(46,445,569)

29. The following tracing methodology was applied to determine the amounts transferred by Falcon as a part of the Western Subdivisions Investment as set out in the above table:

- (a) Account-to-account tracing: this involved matching outflows from Falcon's accounts to corresponding inflows to other accounts. Specifically, we reviewed bank statements for accounts in the name of Falcon and accounts in the name of the entities and persons listed in the table. In our review of these bank statements, we identified these amounts being transferred from accounts in Falcon's name to accounts in the name of those entities or persons listed in the table in corresponding amounts and on corresponding dates;
- (b) Documentary tracing: if transactions were unable to be reconciled by account-to-account tracing, and where it appeared (based on Falcon's bank statements or books and records) that a transfer was made to a third party in relation to the Western Subdivisions Investment, the Liquidators requested that third party's confirmation of the reason for the transfer. Documentary tracing was applied for the amounts transferred from:
 - i. Falcon to Nevett Ford: the Liquidators wrote to Nevett Ford requesting confirmation that the bank transfers made to Nevett Ford were in relation to the Western Subdivisions Investment. A copy of the email received from Nevett Ford confirming the transactions were received in relation to the Fyansford Property (the subject of the Western Subdivisions Investment) is at **pages 201 to 204** of

PSH-3. The Liquidators have inferred that funds were advanced by Falcon to Nevett Ford on behalf of Western Subdivisions for payment of option fees owed to Resimax Group Pty Ltd on the Fyansford Property. A copy of the Nevett Ford trust receipt is at **pages 205 to 206 of PSH-3**; and

ii. Falcon to Rigby Cooke: the Liquidators have matched, by amount and description, the bank transfers made from Falcon to Rigby Cooke's trust statement of account for Western Subdivisions. A copy of the trust statement of account is at **pages 207 to 208 of PSH-3**.

(c) Account transaction description: if amounts that appeared to be associated with the Western Subdivisions Investment were unable to be traced to a recipient by account-to-account tracing or documentary tracing, for the purposes of having a working understanding of to whom funds associated with the Western Subdivisions Investment were transferred, the Liquidators allocated the destination of the transaction as per the bank account 'transaction description'. I consider that this form of verification is less certain than account-to-account tracing and documentary tracing, as it relies on a transaction description accurately identifying the recipient of the transaction (which is not always the case).

30. For transactions reconciled by account tracing, Falcon was either in possession of the bank statements on our appointment as Liquidators or we acquired them through requests to banks (where the account was in Falcon's name) or through subpoenas (where the account was not in Falcon's name).

31. A copy of a summary of our analysis of these bank statements is at **page 209 of PSH-3**. I have not annexed these bank statements to this affidavit, but can make such material available upon request.

32. Based on the Liquidators' review of bank statements for accounts in the name of the Rajomon Entities, Cornerstone and Tax E, the Liquidators have identified that \$11,460,000 of the \$19,630,000 transferred by Falcon to Tax E and Cornerstone were then on-transferred to the Rajomon Entities.

33. Based on responses given by David Anderson, a director of Falcon, in the course of his public examination on 22 December 2025, the Liquidators understand that Falcon used Cornerstone and Tax E as intermediaries to advance money to Rajomon Entities. In his public examination that day, Mr Anderson relevantly stated that:

MS HOOPER: Falcon advanced funds to – I will just describe it loosely, as Mr Guerinat entities associated with him?---Sure.

Not only directly to the relevant entity, that was to purchase the Tarneit property, but also through third-party intermediaries, for example, Tax E Australia Pty Ltd, or Cornerstone Management – Cornerstone Strategic Management Pty Ltd?--- Privilege. Yes.

Why was an intermediary needed?---Privilege. It – it was – it was a case of believing that the intermediary with a – a pre-existing and probably arguably more constructive working relationship with – with the manager would have been able to navigate that – that process a little more effectively than – than we could. We were just finding a better – quite a – a problematic and difficult transaction.

Why was Falcon advancing what came to be tens of millions of dollars to entities associated with Mr Guerinat in circumstances where the goalposts were moving, there was no written agreement at the outset, and Mr Guerinat was, by seemingly Falcon's own account, exceptionally difficult to deal with?---Privilege. The investment fundamentals were very attractive and compelling. That was something that we had managed to establish through both information he passed on in our own communications and our own due diligence. So that's obviously the benchmark bedrock for – for any decision. It was not a case of being an insurmountable problem. It was one that we believed we could work through, and we were negotiating throughout this process in – in good faith, albeit a little more back and forth than you would – would generally hope for or expect. Privilege. Just the – the business relationship of it was a – was a challenging one. The fundamentals of the project were – were good and, in our view, remain good.

34. With reference to my explanation of the tracing exercise that was undertaken set out above, and the tracing methodologies that were used, it appears that, between 10 June 2020 and 13 February 2025, the Rajomon Entities received at least \$38,275,569 either directly from Falcon or indirectly from Falcon through Cornerstone or Tax E.

Basis on which funds were advanced by Falcon: Fyansford and Tarneit Property

35. The basis on which Falcon advanced funds to the Rajomon Entities was not the subject of any upfront agreement. As I explain below, it was not until 22 May 2024, that the basis for the advances - or at least the bulk of them - was agreed between Falcon and Mr Guerinat (pursuant to the Loan Agreement). Before that time, Falcon was advancing funds to the Rajomon Entities on an undocumented basis - that is, there was no loan or other transaction document recording the terms on which the funds were provided and if, when or on what terms they were to be repaid.

36. The Loan Agreement was the culmination of protracted negotiations between the parties, which included the possibility that the advanced funds would be treated otherwise than as loans made by Falcon repayable on agreed terms, and instead as equity contributions to one or more entities associated with Mr Guerinat or alternatively as funds that would be taken to be invested by the FGMF in the 'Rajomon Opportunities Fund', of which Falcon was the trustee (and which ultimately a sub-trust of the ADF, and through it, the FGMF).
37. In the public examination of Mr Guerinat on 8 December 2025, (**8 December Public Examination**), Mr Guerinat stated as follows with respect to the Rajomon Opportunities Fund:

MS HOOPER: Are you able to explain how this proposed agreement came about between Rajomon Asset Management and Falcon Capital in a trustee capacity of the Rajomon Opportunities Fund? What type of discussions were you having, with who, about a draft agreement like this?---We were discussing with Simon [Selimaj]. I recall maybe David [Anderson] involved in some communication at that time. And it was around us looking to set up a fund. We would be the investment managers of the fund. And we would procure our own investors to invest in the fund. That never eventuated.

And why was that?---Certain processes along the arrangement we weren't comfortable with, and vice versa. First Guardian weren't comfortable with how we were going about executing certain processes.

...

MS HOOPER: How did Rajomon Fyansford proposed to finance its acquisition of the Fyansford with property [sic]?---By raising capital through First Guardian.

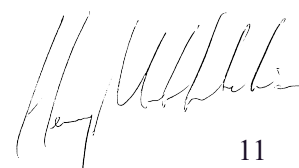
So the money would come from First Guardian?---Correct.

And was it proposed that be by way of loan, or by way of some other instrument?---Our conversations was around a convertible note instrument.

...

MS HOOPER: I see. And there's no other agreement you have in mind that might have governed the terms on which these funds were advanced?---There was conversations around that we were having that we would progress as a debt instrument, convertible note.

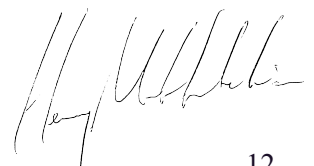
All right. And those conversations didn't culminate, at least in 2020, in any agreement being executed; is that correct?---Correct.



...

MR KARVELA: Was it therefore your understanding that Falcon Capital would provide all the funds for these investments under a direct investment arrangement?--Correct.

38. On 14 May 2020, the Rajomon Opportunities Fund was established as a unit trust with Falcon as its trustee. A copy of the constitution for that fund is at **pages 210 to 254 of PSH-3**. The constitution records that the beneficiaries of the fund are the unitholders of the Chiodo Diversified Property Fund (**CDPF**). At that time, Falcon was also the trustee of the CDPF.
39. A balance sheet for the CDPF as at 13 April 2021 (the day before Falcon entered into a deed by which it agreed to retire as trustee of the CDPF and transfer CDPF assets to the replacement trustee) appears at **page 255 of PSH-3**. The balance sheet makes no reference to the CDPF having any interest in the Rajomon Opportunities Fund.
40. On 22 July 2020, Interest Free Homes Pty Ltd (as vendor) and Rajomon Asset Management (as purchaser) entered into a contract of sale pursuant to which Rajomon Asset Management and/or its nominee agreed to purchase the Tarneit Property for \$7,065,000 plus GST (**Tarneit Contract of Sale**). The Tarneit Contract of Sale provided for payment of a 10% deposit and settlement on 11 December 2020. A copy of the Tarneit Contract of Sale is at **pages 256 to 327 of PSH-3**. It records that, at the time of its execution, Rajomon Asset Management had already paid \$100,000 towards the deposit.
41. The next day, Rajomon Asset Management had paid a further \$685,000 deposit. A copy of a trust account receipt issued to RAM dated 23 July 2020 for that sum is at **page 328 of PSH-3**.
42. On 28 August 2020, 1190 Doherty was incorporated. Upon incorporation, 51% of its shares were held by Falcon and the remaining 49% by Mr Guerinat (company search at **pages 329 to 333 of PSH-3**).
43. On 28 January 2021, Falcon transferred its 51% shareholding in 1190 Doherty to Mr Guerinat for \$51, in consequence of which Mr Guerinat became its sole shareholder. A copy of a resolution passed by 1190 Doherty regarding the share transfer is at **pages 334 to 335 of PSH-3** and a copy of the ASIC Form 484 recording the transfer of shares is at **pages 336 to 337 of PSH-3**.
44. Falcon appears to have transferred its shares in 1190 Doherty to Mr Guerinat on the basis that:



- (a) in place of those shares, it would receive an equivalent interest in Rajomon Holdings; and
- (b) Rajomon Holdings was or would become the company which would 'be holding the project(s)' (which I understand to mean either that Rajomon Holdings would own all of the shares in whichever Rajomon Entity owned the land on which it would undertake a property development project, or Rajomon Holdings would itself own such land and undertake such projects).

A copy of an email chain dated 16-17 December 2020 between Mr Anderson, Mr Guerinat and Mr Guerinat's then accountant to the above effect is at **pages 338 to 340 of PSH-3**.

- 45. For reasons unknown to the Liquidators, no shares in Rajomon Holdings were ever issued to Falcon and Rajomon Holdings did not acquire any interest in any of the Guerinat Entities, the shares in which remain wholly-owned by Mr Guerinat personally.
- 46. On 9 February 2021, Western Subdivisions was incorporated (company search at **pages 341 to 346 of PSH-3**).
- 47. On 17 March 2021, Western Subdivisions entered into a put and call agreement with Resimax Group Pty Ltd (ACN 164 428 942) (**Resimax**) (as grantor) with respect to the Fyansford Property, under which it acquired the option to purchase the Fyansford Property for \$44.2 million, comprising a \$7.2 million option fee and \$37 million purchase price (**Second Option Agreement**). A copy of the Second Option Agreement is at **pages 347 to 585 of PSH-3**.
- 48. At that time:
 - (a) the registered proprietor of the Fyansford Property was H4MC Pty Ltd; and
 - (b) Resimax had an option to purchase the Fyansford Property on the terms of a put and call option agreement between it and H4MC dated 23 May 2018 (**First Option Agreement**). A copy of the First Option Agreement is at **pages 586 to 699 of PSH-3**.
- 49. As I explain below, the Second Option Agreement between Resimax and Western Subdivisions was thereafter varied and ultimately replaced by a new option agreement between Resimax, Western Subdivisions and others on 23 January 2024 under which, amongst other things, the purchase price for the Fyansford Property had increased to \$46 million (**Third Option Agreement**), which itself was later varied on three occasions, including so as to increase the purchase price further to \$51 million.
- 50. On 8 April 2021, a solicitor then acting for Falcon emailed Mr Anderson and others regarding approximately \$7m which 'FG' (which I understand to be a reference to Falcon and/or FG Capital, the investment manager of the FGMF) had 'provided...to fund the

settlement of [the Tarneit Property]' and which email records, as was the case, that there was 'no formal loan agreement or security arrangement' in place in respect of the advances. A copy of that email is at **pages 700 to 701 of PSH-3**.

51. On 6 July 2021, the Tarneit Contract of Sale settled and 1190 Doherty became its registered proprietor by reason of Rajomon Asset Management (as purchaser) nominating 1190 Doherty as its nominee to take title to the Tarneit Property. In the 8 December Public Examination, Mr Guerinat stated the following:

MS HOOPER: What does 1190 Doherty Rd do?---It's the SPV in which we hold the project.

*And when you say 'hold the project', are you referring to the Tarneit property?---
Correct.*

*And I'm right in thinking, aren't I, that we went to the contract of sale for the Tarneit property. The purchaser was Rajomon Asset Management, or its nominee?---
Correct.*

So it's the case that you caused Rajomon Asset Management to nominate 1190 Doherty Rd as the ultimate purchaser?---Correct.

Yes. All right. How did 1190 Doherty Rd fund the purchase of the Tarneit property? Was that with funds advanced from Falcon Capital?---It was funds advanced from Falcon Capital and debt procured through a private lender.

52. A copy of a current and historical title search for the Tarneit Property dated 12 November 2025 is at **pages 702 to 704 of PSH-3**.
53. Based on our review of: (1) bank statements for accounts in the name of Falcon, Rajomon Asset Management and Rajomon; and (2) deposit and settlement statements in respect of the sale of the Tarneit Property, it appears that at least \$7,111,816 of the funds advanced by Falcon as part of the 'Western Subdivisions Investment' were advanced (to Rajomon Asset Management and Rajomon) between 10 June 2020 and 5 March 2021, and that these funds were used to finance the purchase of the Tarneit Property (which had a purchase price of \$7,065,000 plus GST).
54. A copy of the deposit and settlement statements are at **pages 705 to 707 of PSH-3**. I have not annexed the bank statements that shows these advances. The Liquidators can make such materials available upon request.
55. The title search for the Tarneit Property records six encumbrances:

- (a) a mortgage in favour of Perpetual Corporate Trust Ltd registered on 20 February 2025 (four days before this proceeding was commenced on 24 February 2025); and
- (b) five caveats lodged on title on 18 March 2025 by AK Lawyers Pty Ltd, in favour of:
 - (i) Mazza Aus Pty Ltd;
 - (ii) Carmichael 40 Pty Ltd;
 - (iii) Osama Saad;
 - (iv) Mount Waverley Pty Ltd; and
 - (v) Power Ent 824 Pty Ltd.

56. On 3 October 2023, Tamar River Development Pty Ltd (ACN 610 209 820) (**Tamar**) became the registered proprietor of the Fyansford Property. The Liquidators understand that this was the result of Resimax exercising its option to acquire that property and nominating Tamar as its nominee to take title to the property in its place. Tamar and Resimax share a common director and shareholder. A copy of the current and historical ASIC company searches for Tamar and Resimax are at **pages 708 to 718 of PSH-3**.
57. On 23 January 2024, Resimax, Tamar and Western Subdivisions entered into the Third Option Agreement. A copy of that agreement is at **pages 719 to 864 of PSH-3**.
58. Thereafter, the Third Option Agreement was varied three times to progressively extend the period in which Western Subdivisions could exercise its option to purchase the Fyansford Property from Tamar. The third variation was executed on 2 April 2024. A copy of the third deed of variation is at **pages 865 to 879 of PSH-3**.
59. On 22 May 2024, Falcon (in its capacity as trustee of the GIF) and Western Subdivisions entered into the Loan Agreement. That agreement related both to advances already made by Falcon to Mr Guerinat and the Rajomon Entities and further advances which Falcon agreed to make in future.
60. Although the only parties to the agreement are Falcon and Western Subdivisions, and consistent with the absence of any other agreement between Falcon and other of the Rajomon Entities, the apparent intention of the agreement was to 'wrap up' and encapsulate advances made by Falcon not only to Western Subdivisions but also to other of the Rajomon Entities.
61. In the 8 December Public Examination, Mr Guerinat stated the following:

MS HOOPER: So, Mr Guerinat, could you answer the question? Did that strike you as an extraordinary state of affairs, that that loan agreement should be in that form?---No.

How was the money advanced under that loan agreement applied?---Towards the acquisition of the properties that's mentioned, and working capital.

So 'the properties'. You're talking about the Tarneit property and the Fyansford property?---Correct.

And moneys advanced under that loan agreement were advanced not only to Rajomon Fyansford, but also to other Rajomon entities. Correct?---Not – non-related Rajomon entities, you're saying?

To other Rajomon entities?---To other entities that I am a director of, yes. Yes.

Yes. Including, for example, Rajomon Asset Management and 1190 Doherty Rd?---Yes.

And that was all, effectively, just rolled up into one figure to be repaid by Rajomon Fyansford under this loan agreement. Correct?---Correct.

62. The Loan Agreement relevantly provides that:

- (a) Falcon will loan Western Subdivisions up to \$33.5 million, with the parties acknowledging that \$23 million of that sum had already been advanced as at 15 May 2024 (clause 3.1 and definition of 'Loan' in clause 1.1);
- (b) the balance of \$10.5 million will be advanced in instalments on the dates set out in Schedule 3 between 15 June 2024 and 15 December 2024;
- (c) the purpose of the loan is 'to pay option fees under the Option Agreement and for working capital requirements of [Western Subdivisions] and any Related Body Corporate of [Western Subdivisions] or Abdullah Guerinat' (clause 3.2);
- (d) 'Option Agreement' means the Third Option Agreement as varied by the deed of variation dated 2 April 2024 (clause 1.1);
- (e) the loan attracts interest at a rate of 6.5% per annum from the date of the agreement onwards, or in the case of default, at a rate of 11.5% per annum (being 6.5% plus an additional 5%) (clause 5.1 and 5.2);
- (f) interest is to be capitalised annually (clause 5.1(c));
- (g) the loan is repayable in full, together with interest, on the 'Termination Date', being the date six years after entry into the agreement (i.e. on 22 May 2030) extendable by a further 1.5 years at Western Subdivision's election in prescribed circumstances (i.e. to 22 November 2031) (clauses 6.1, 18.1 and Sch 3 (special conditions));

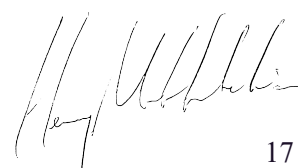
- (h) an event of default under the agreement is the failure of Western Subdivisions, having exercised the call option under the Option Agreement, 'to settle the Fyansford Property and become the registered proprietor of the Fyansford Property', in consequence of the occurrence of which default Falcon may demand immediate repayment of the loan with interest (clauses 11.1(b)(iii) and 11.2);
- (i) Western Subdivisions must not nominate any nominee or substitute purchaser for the Fyansford Property without the prior written consent of Falcon, which consent may not be unreasonably withheld if (1) the substitute purchaser agrees to be bound by the terms of the agreement as if it were the original borrower (i.e. Western Subdivisions); and (2) Mr Guerinat is a director of the nominee or substitute purchaser (SC 3(b) in Sch 3, which to the extent of any inconsistency with the general terms, prevails (clause 18)); and
- (j) it is the entire agreement between the parties with respect to its subject matter, and supersedes all prior discussions, negotiations, understandings and agreements with respect to that subject matter (clause 17.8).

63. The Loan Agreement did not provide for any security in favour of Falcon. Mr Guerinat did not guarantee repayment of the loan. The whole of Falcon's advances in respect of its 'Western Subdivisions Investment' are unsecured.

64. At 15 May 2024, and based on the Liquidators' investigations detailed above in paragraphs 27 to 34, the total funds advanced to the Rajomon Entities (including through Cornerstone, Tax E, Nevett Ford and Rigby Cooke) was \$28,525,569, which exceeds the \$23 million in prior advances acknowledged in clause 3.1 of the Loan Agreement.

65. After the Loan Agreement was executed on 22 May 2024:

- (a) between 24 May 2024 and 13 February 2024, Falcon advanced \$9,560,000 in further funds to Western Subdivisions, but in amounts lesser and on dates later than required under Schedule 3 of the Loan Agreement - thereby bringing the total amount advanced by Falcon and traced to Rajomon Entities and Mr Guerinat to \$38,085,569 (being \$28,525,569 plus \$9,560,000);
- (b) on 15 December 2024, Western Subdivisions exercised its option under the Third Option Agreement to acquire the Fyansford Property;
- (c) on 14 March 2025, Western Subdivisions and Tamar entered into a contract of sale for the Fyansford Property (**Fyansford Contract of Sale**), a copy of which appears at **pages 880 to 972 of PSH-3**;



- (d) on around 18 May 2025, Western Subdivisions nominated Blackrock as substitute purchaser under the Fyansford Contract of Sale, without Falcon's prior consent and thus in breach of Loan Agreement; and
- (e) on 3 June 2025:
 - i. the Fyansford Contract of Sale settled;
 - ii. Blackrock became the registered proprietor of the Fyansford Property (giving rise to an event of default under the Loan Agreement); and
 - iii. Blackrock granted a mortgage over that property to RMBL Investments Ltd (**RMBL**).

66. A copy of a current and historical title search of the Fyansford Property dated 9 September 2025 is at **pages 973 to 974 of PSH-3**.

67. The Liquidators understand, based on information provided and documents produced by Mr Guerinat in the course of his public examinations, that that mortgage to RMBL secures a loan from RMBL to Blackrock. A copy of the mortgage is at **pages 975 to 976 of PSH-3**.

68. The relevant statements of Mr Guerinat at the 8 December Public Examination are as follows:

MS HOOPER: ... I assume from this title search, and correct me if I'm wrong, that Blackrock has entered into a loan agreement with the mortgagee, RMBL?---Correct.

Is Blackrock the only borrower under that loan agreement?---And myself.

That's my question to you. You and Blackrock?---Correct.

And so you personally guaranteed its liabilities?---I think so.

69. According to our calculations, the total debt owing by Western Subdivisions to Falcon under the Loan agreement, as at 20 June 2026, was \$36,977,885.10 comprising:

- (a) principal of \$32,560,000 (\$23 million plus \$9,560,000); and
- (b) accrued interest of \$4,417,885.10.

70. Based on the Liquidators' review of bank statements for accounts in the name of Falcon and the Guerinat Entities, Falcon's books and records, and other materials, it appears that at least \$14,220,028 of Falcon funds advanced to the Rajomon Entities and referred to in paragraph 34 above were used by Western Subdivisions and Rajomon Asset Management to pay options and option extension fees to Resimax in respect of the purchase of the Fyansford Property.

71. Western Subdivisions did not cause Blackrock to accede to the Loan Agreement.

72. Based on our investigations to date, comprising the 8 December Public Examination, the further examination of Mr Guerinat on 2 April 2026 (**2 April Public Examination**) and the document production pursuant to those public examinations, we understand that Western Subdivisions has net assets of around only \$108.

73. A copy of Western Subdivision's Financial Report for the year ended 30 June 2025, obtained from Mr Guerinat, is at **pages 977 to 985 of PSH-3**. The search of land title records across the country undertaken in March 2026 confirms that Western Subdivisions is not the registered proprietor of any real property. A company search of Western Subdivisions dated 29 June 2026 shows that it has only \$100.00 in paid-up capital.

74. In the 8 December Public Examinations, Mr Guerinat stated that:

MS HOOPER: I want to suggest to you that another extraordinary feature of this loan agreement is that Falcon agreed to lend up to \$33.5 million to Rajomon Fyansford [which is Western Subdivisions] in circumstances where it didn't have any assets. Its primary asset of value was an option to acquire the Fyansford property, but it didn't itself own any real property or otherwise have any material assets of value. You accept that, don't you?---There was a contract in place.

MS HOOPER: Are you talking about the option agreement?---Correct.

MS HOOPER: So what I put to you is, save for the option agreement to acquire the Fyansford property, under which Rajomon Fyansford could nominate a different purchaser – and in fact, it did, and we will come to that after this – Rajomon Fyansford didn't have any assets of value, did it?---It had an obligation – a contractual obligation to acquire the asset. I mean, that could be interpreted as an asset in some way.

MS HOOPER: As of the date this loan agreement was entered into, 22 May 2024, last year, leaving aside the option agreement, did Rajomon Fyansford have any other assets?---No.

75. Given Western Subdivisions' financial position, and the fact that the loan advanced under the Loan Agreement was unsecured and not the subject of any personal guarantee(s), we consider that there is no prospect that Western Subdivision will be able to repay the amounts due from it under the Loan Agreement when due (or at all).

76. This is particularly so where, notwithstanding that it had paid \$14,220,028 in option (and option extension) fees to afford it the option of acquiring the Fyansford Property itself, Western Subdivisions did not receive any consideration from Blackrock for nominating it as the party who would take title to that property.

Other assets against which Falcon may have claims

77. Based on our review of bank statements for accounts in the name of Falcon, the Guerinat Entities and Tax E, certain of the funds advanced by Falcon to the Rajomon Entities (set out in paragraph 20 above), were used to acquire assets other than the Fyansford Property and the Tarneit Property as set out below (and into which Falcon assets may be able to trace).
78. Our investigations have traced \$675,000 of Falcon funds to AG Flesser, the registered proprietor of the property situated at 46 Flesser Road, Chambers Flat QLD 4133 (**Flesser Road Property**). These funds were not directly transferred from Falcon to AG Flesser: they were transferred from Falcon through Western Subdivisions, Rajomon or Tax E.
79. I have not annexed the bank statements for the accounts in the name of these entities that show the payment of these funds. The Liquidators can make such materials available upon request.
80. The Flesser Road Property is subject to a first-ranking mortgage in favour of Perpetual Corporate Trust Ltd (**Perpetual**). Now produced and shown to me at **page 986** of **PSH-3** is a copy of a title search of the Flesser Road Property undertaken on 24 February 2026.
81. Based on a loan activity statement produced by Mr Guerinat, it appears that the mortgage in favour of Perpetual is held in its capacity as custodian for La Trobe Financial Services Pty Limited (**La Trobe Financial**) and that, as at 26 March 2026, La Trobe Financial was owed \$2,225,636.37. Now produced and shown to me at **pages 987 to 988** of **PSH-3** is a copy of the loan activity statement.
82. Our investigations also have traced \$783,000 of Falcon funds to the Archer Synergies Group, of which at least \$299,500 has been traced indirectly into deposit and settlement amounts for the following properties:
- (a) 4 Giffen Street, Mambourine 3024, Victoria; and
 - (b) 66 Serene Terrace, Drysdale 3222, Victoria.
83. These funds were not directly transferred from Falcon to the Archer Synergies Group: they were transferred from Falcon through Western Subdivisions or Rajomon Asset Management. I have not annexed the bank statements for the accounts in the names of these entities that show the payment and receipt of these funds. The Liquidators can make such materials available upon request.
84. A list of all the Archer Synergies properties (**Archer Synergies Properties**) owned by entities within the Archer Synergies Group, the purchase price of these properties, and the

amount of money payable to third party lenders in respect of each of those properties, is set out in the table below.

<i>Archer Synergies Group Properties</i>	<i>Date of Acquisition</i>	<i>Property sale value (\$)</i>	<i>Loans (\$)H</i>
Archer Synergies Pty Ltd	4 Giffen Street, Mambourin, VIC	275,000	682,797
	66 Serene Terrace, Drysdale, VIC	375,000	756,169
Archer Synergies 3 Pty Ltd	Unit 4, 39 Serene Terrace, Drysdale, VIC	330,000	717,531
	Unit 3, 41 Serene Terrace, Drysdale, VIC	730,000	717,529
Archer Synergies 323 Jetty Pty Ltd	186 High Street, Drysdale, VIC	3,000,000	2,340,215
Total		4,710,000	5,214,241

85. The information set out in the above table has been extracted from:

(a) the following material that was produced by Mr Guerinat in response to his public examination summons:

- i. Loan statements. A copy of loan statements in respect of each of the properties is at pages **989** to **1016** of **PSH-3**; and
- ii. Title searches. A copy of a title for each of the properties is at **pages 1017 to 1026** of **PSH-3**. These title searches show that each of the properties is subject to a first ranking registered mortgage in favour of a lender; and

(b) information available in the public domain. The property sale prices are those recorded on the website 'realestate.com'.

86. Mr Guerinat, in response to his public examinations summons, also produced a balance sheet for each Archer Synergies Group entity as at 30 June 2025. A copy of these balance sheets is at **pages 1027 to 1076** of **PSH-3**. The balance sheets record that each entity has negative net assets, as set out in the table below:

Archer Synergies Group Entities Balance Sheets - 30 June 2025					
<i>\$</i>	<i>Archer Synergies Pty Ltd</i>	<i>Archer Synergies 2 Pty Ltd</i>	<i>Archer Synergies 3 Pty Ltd</i>	<i>Archer Synergy 323 Jetty Pty Ltd</i>	<i>Archer Synergy Derrimut Pty Ltd</i>
Total Assets	6,469,171	14,007	2,094,552	4,247,653	3,895
Total Liabilities	7,343,345	705,985	2,409,090	4,505,972	1,089,938
Net Assets	(874,174)	(691,978)	(314,538)	(258,319)	(1,086,043)

87. I have not conducted any further investigations into the current value of the Archer Synergies Properties or the current balances of the loans to third parties, which as noted above are secured by first-ranking mortgages.

Other Assets of Western Subdivisions

88. Having reviewed bank statements produced in response to public examination summonses and subpoenas issued in the course of the public examination proceedings, as well as other materials, the Liquidators are not aware of any other assets of value held by Western Subdivisions that would enable repayment of the Loan Agreement.

D. THE PRESENT APPLICATION

89. Around 31 October 2025 and based on the investigations into the Western Subdivision Investment we had undertaken to that date, the Liquidators instructed Mallesons to lodge a caveat over the Fyansford Property on behalf of Falcon claiming an interest in land on the basis of an implied, resulting or constructive trust (**Caveat**).

90. A copy of the caveat lodged on title on 31 October 2025 is at **page 1077 of PSH-3**.

91. On 10 November 2025, Blackrock made an application under s 89A of the *Transfer of Land Act 1958* (Vic) to have Falcon's caveat over the Fyansford Property lapse (**Lapsing Application**).

92. On 11 November 2025, the Registrar of Titles issued Falcon a lapsing notice (**Lapsing Notice**). A copy of the Lapsing Notice is at **page 1078 of PSH-3**. The Lapsing Notice was not received by the Liquidators' solicitors, Mallesons, until 20 November.

93. The Lapsing Notice stated that the Caveat would lapse 'on the first moment' of 17 December 2025 unless before that date either:

- (a) the Lapsing Application is abandoned; or
- (b) written notice is given to the Registrar that proceedings in a court or VCAT to substantiate the claim of the caveator are on foot.

94. On 16 December 2025, Falcon:

- (a) commenced a proceeding in the Supreme Court of Victoria by generally indorsed writ (S ECI 2025 07553) (**Caveat Proceeding**). A copy of the generally indorsed writ is at **pages 1079 to 1092 of PSH-3**. The writ names Mr Guerinat, Western Subdivisions and Blackrock as defendants; and
- (b) lodged a caveator notice with the Registrar of Titles on 16 December 2025 giving notice that the Caveat Proceedings were on foot (**Caveator Notice**). A copy of the Caveator Notice at **page 1093 of PSH-3**.

95. As the writ was not yet sealed by the Court at the time the Caveator Notice was lodged, no court proceeding number was included in that notice.

96. The absence of the inclusion of a court proceeding number in the Caveator Notice led to a dispute between the Liquidators and the Registrar of Titles as to whether or not the caveat had lapsed 'on the first moment' of 17 December 2025.
97. On 17 December 2025, the Registrar of Titles sent a letter by email to the Liquidators' solicitors stating that registration of the Caveator Notice would not be processed, because no court proceeding number was provided in the Caveator Notice. A copy of that letter is at **page 1094 of PSH-3**.
98. On 23 December 2025, the Liquidators commenced a proceeding against the Registrar of Titles and Blackrock (S ECI 2025 07769) (**Declaration Proceeding**), seeking a declaration that the Caveator Notice was valid and that the Caveat did not lapse, and seeking an injunction preventing the Registrar of Titles from removing the caveat.
99. On 2 February 2026, the Registrar of Titles sent a letter to Mallesons, and to the Court, stating (among other things):

'Proceeding S ECI 2025 07553 [the Caveat Proceeding] is on foot to substantiate their claim in relation to Caveat AZ765308N. As such, I will not be removing Caveat AZ765308N from folio of the Register volume 9297 folio 213 [the Fyansford land property] (Subject Folio) until the conclusion of those proceedings...' (**Registrar Letter**).

A copy of the Registrar Letter is at pages **1095 to 1096 of PSH-3**.

100. Given the assurance provided by the Registrar Letter, the relief sought in the Declaration Proceeding was no longer required. The proceeding was thereafter dismissed, with costs in Falcon's favour. A copy of the dismissal orders (and reasons, provided by way of a revised transcript) dated 4 February 2026 are at **pages 1097 to 1111 of PSH-3**.
101. While the writ in the Caveat Proceeding has not yet been served on any of the defendants to that proceeding (i.e. on Western Subdivisions, Mr Guerinat or Blackrock), the defendants are aware that the Caveat Proceeding has been commenced, and of the content of the writ, because that fact and that document were disclosed in material served on Blackrock in the course of the Declaration Proceeding.

Without prejudice discussions

102. Between December 2025 and June 2026, the Liquidators and Mr Guerinat (**Parties**) have engaged in settlement discussions, on a without prejudice basis, with a view to reaching a global settlement of all claims which Falcon has or may have against Mr Guerinat and the Guerinat Entities, including as against Western Subdivisions under the Loan Agreement, and including in respect of the allegations the subject of the Caveat Proceeding.

103. On 12 June 2026, the Parties reached a settlement, the terms of which are recorded in the Settlement Deed executed that day.
104. A copy of the Settlement Deed is at **pages 1112 to 1138 of PSH-3**.
105. The operative terms of the Settlement Deed are subject to the Court:
- (a) approving the compromise of debt (to be) effected by the Settlement Deed under s 477(2A) of the Act; and
 - (b) giving judicial directions under s 90-15 of the IPSC to the effect that the Liquidators have acted reasonably and are justified in causing Falcon to enter into and give effect to the deed.
106. By the Settlement Deed and amongst other things:
- (a) Western Subdivisions agrees to pay Falcon \$2.9 million, comprising:
 - (i) \$1 million payable within two days of execution of the Deed (which sum has been paid into its solicitors' trust account in accordance with the Deed, pending its subsequent release to Falcon if an 'Approval Order' is made) (clauses 2.1(a) and 3.2) (**Provisional Settlement Sum**);
 - (ii) \$50,000 payable within two days of execution of the Deed (on account of the legal costs associated with this application, and which sum has already been paid to Falcon) (clause 3.3) (**Legal Costs Amount**);
 - (iii) \$1.85 million payable within two days of an 'Approval Order' being made, or on 2 July 2026, whichever is the later (clause 2.1(b)(i) and (iii)) (together, the **Settlement Amount**);
 - (b) upon receipt of the Settlement Amount, and thus conditional upon the granting of the Application, Falcon:
 - (i) covenants not to sue the Guerinat Parties, including their officers, employees and agents, in respect of any claims:
 - (A) relating to the Loan Agreement, the Fyansford Property, the Tarneit Property and/or the Archer Properties (being the properties identified in Schedule 2 of the Deed of Settlement) (clauses 4.1(a) and 4.3); and
 - (B) arising directly or indirectly out of or in connection with any investigation conducted by the Liquidators 'in relation to the business and operations of Falcon' (excluding any claims that involve fraud or gross misrepresentation on the part of a Guerinat Party or claims for

moneys had and received of which the Liquidators were unaware upon entry into the Deed) (clauses 4.1(b) and 4.3);

- (ii) covenants not to conduct any further public examinations of Mr Guerinat (clause 4.2);
 - (iii) agrees to withdraw its caveat over the Fyansford Property (clause 5.1(a)); and
 - (iv) the parties agree that the Caveat Proceeding will be discontinued with no order as to costs (clause 5.1(b));
- (c) upon receipt of the Settlement Amount, and thus conditional upon the granting of the Application, the Guerinat Parties 'and all of their related entities' covenant not to sue Falcon or the Liquidators in respect of any 'Claims' at large (including in respect of claims which may be available to Western Subdivisions against Falcon arising out of Falcon's failure to advance funds to Western Subdivisions in the amounts and at the times required by Schedule 3 of the Loan Agreement, which failure Western Subdivisions has alleged caused it loss, including in the form of increased financing costs – a copy of a letter dated 10 November 2025 from Western Subdivisions solicitor, Bill Karvela of Rigby Cooke is at **pages 1139 to 1143 of PSH-3**, in which Mr Kavela states that: *'the failure by First Guardian to meet its funding commitments has caused Western Subdivisions and, therefore, Blackrock, significant loss and damage as a result of the substantially increased purchase price'*); and
- (d) Blackrock has executed a (second-ranking) mortgage over the Fyansford Property, which is being held in escrow by our solicitors, Mallesons, as security for the performance of the Guerinat Parties' obligations under the Settlement Deed (clause 6).

107. On 12 June 2026, Mallesons received a letter from Rigby Cooke, in which Rigby Cooke stated that:

- (a) *'Rigby Cooke Lawyers is holding in its trust account amounts equal to, respectively, the Approval Order Costs and the Provisional Settlement Sum;*
- (b) *The Provisional Settlement Sum is held as protected trust funds;*
- (c) *Rigby Cooke Lawyers is unconditionally authorised to transfer the Approval Order Costs as required by clause 3.3(a) of the Settlement Deed into the account referenced in clause 3.3(b) and by the time specified in clause 3.3(a) of the Settlement Deed;*

- (d) *If the Court makes the Approval Order, Rigby Cooke Lawyers is unconditionally authorised to transfer the Provisional Settlement Sum as required by clause 3.2(a) of the Settlement Deed into the account nominated in clause 3.2(a) of the Settlement Deed and by the time specified in clause 3.2(a) of the Settlement Deed; and*
- (e) *If the Court declines to make an Approval Order as so long as no Default exists, Rigby Cooke Lawyers is authorised to release the Provisional Settlement Sum to Western Subdivisions or as directed by its clients.'*

A copy of that letter is at is at **page 1144 of PSH-3**.

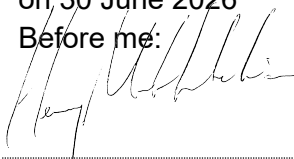
108. On 12 June 2026, Falcon received the Legal Costs Amount. A bank account statement showing the receipt of this amount is at **page 1145 of PSH-3**.
109. In my opinion and for the reasons set out in my affidavits, I consider (and Mr Blakeley informs me that he considers) a settlement on the terms of the Settlement Deed is in the best interests of Falcon and its creditors and unitholders, including because:
- (a) it represents a better outcome for Falcon than it could otherwise achieve;
- (b) it provides a quick and certain outcome; and
- (c) it may allow for Falcon's liquidation to be finalised sooner than would otherwise be possible.
110. We are conscious that, if approved, the amount of the Western Subdivisions Investment to be returned under the Settlement Deed is much less than unitholders in the FGMF would have expected based on disclosures made by Falcon and the valuation of that investment at the time of our appointment, as set out in our initial report to creditors and unitholders (a copy of which is at **pages 1146 to 1215 of PSH-3**).
111. However, we believe (based on the matters set out in this affidavit and the Confidential Harlond Affidavit), that the Settlement Sum exceeds the current recoverable commercial value of the Western Subdivisions Investment.
- Notice to ASIC and others**
112. On 30 June 2026, the same day as making this application, Mallesons sent a letter notifying ASIC of our intention to make this application. A copy of the letter to ASIC is exhibited at **pages 1216 to 1217 of PSH-3**.
113. As at the time of affirming this affidavit, neither Mallesons nor I have received notification from ASIC that it intends to be heard on application.

114. I have instructed Mallesons to:

- (a) serve the interlocutory process and supporting affidavits on ASIC, once stamped copies are available;
- (b) notify ASIC of the time and place of the hearing, once listed; and
- (c) notify this Honourable Court if ASIC notifies Mallesons or the Liquidators that it intends to appear or objects to the application.

115. We also intend to notify FGMF creditors and unitholders of this application by way of circular to be posted on the website maintained by FTI Consulting with respect to Falcon's liquidation. A copy of the draft circular is at **pages 1218 to 1221 of PSH-3**.

Affirmed by the deponent
at Melbourne
in Victoria
on 30 June 2026
Before me:



Signature of witness

Henry Angus Byrne MacHutchison

Level 27, 447 Collins Street
Melbourne, VIC 3000
Australian Legal Practitioner

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Signature of deponent

The requirements for witness by audio-visual link under section 12 of the *Electronic Transactions (Victoria) Act 2000* have been met.

In accordance with section 27(1A) of the *Oaths and Affirmations Act 2018* (Vic), this affidavit was affirmed by the deponent by audio-visual link and the authorised affidavit taker has used an electronic copy of the affidavit and not the original in completing the jurat requirements.

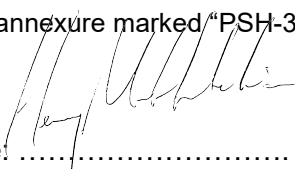
Federal Court of Australia
District Registry: Victoria
Division: General

Australian Securities and Investments Commission
Plaintiff

Falcon Capital Limited (in liquidation) & Ors
Defendants

ANNEXURE "PSH-3"

This is the annexure marked "PSH-3" referred to in the affidavit of **PAUL STUART HARLOND** affirmed 30 June 2026.

Before me: 

Henry Angus Byrne MacHutchison
Level 27, 447 Collins Street
Melbourne, VIC 3000
Australian Legal Practitioner

The requirements for witness by audio-visual link under section 12 of the *Electronic Transactions (Victoria) Act 2000* have been met.