

15 MAY 2017



ANNUAL REPORT

NOVAK INTERNATIONAL PTY LTD (IN LIQUIDATION)
ACN 107 025 114

EXPERTS WITH IMPACT™

Table of Contents

Section 1: Introduction	1
Background	1
Purpose of this Report.....	1
Glossary	1
Disclaimer	1
Section 2: Conduct of winding up.....	2
Section 3: Acts and dealings that remain to be carried out.....	2
Section 4: Estimate of when the winding up is likely to be complete.....	2
Section 5: Forecast return to ordinary unsecured creditors.....	2
Section 6: Receipts and payments.....	3
Section 7: Questions	3
Schedule 1: Glossary	4

Section 1: Introduction

Background

1. On 29 September 2011, Investec appointed Peter Bernard Allen and myself, Quentin James Olde as joint and several administrators of the Company pursuant to Section 436C of the Act.
2. On 4 November 2011 at the Second Meeting of Creditors, the Creditors of the Company resolved that the Company enter into a DOCA proposed by Investec.
3. Subsequently, the Company executed the DOCA.
4. The DOCA required, amongst other things:
 - 4.1 The incorporation of the Subsidiary;
 - 4.2 The issue of the Shares to the Company;
 - 4.3 The transfer of the Shopping Centre to the Subsidiary;
 - 4.4 The Subsidiary to grant a mortgage over the Shopping Centre in favour of Investec; and
 - 4.5 The Company to be wound up when certain conditions specified in the DOCA were satisfied.
5. On 9 March 2012, Mr Allen and I, in our capacity as administrators of the DOCA, certified that the conditions had been satisfied and as a consequence:
 - 5.1 The Company was placed into liquidation; and
 - 5.2 Mr Allen and I became the liquidators of the Company.
6. On 25 September 2013, Mr Allen retired as liquidator of the Company and I became the sole liquidator of the Company.

Purpose of this Report

7. This report is prepared pursuant to Section 508 of the Act to provide, amongst other things, the following information to Creditors:
 - 7.1 An account of my acts and dealings and the conduct of the winding up of the Company during the 12 months commencing 9 March 2016;
 - 7.2 A description of the acts and dealings that remain to be carried out in order to complete the winding up; and
 - 7.3 An estimate of when the winding up is likely to be complete.

Glossary

8. A glossary of the defined terms used in this report appears as Schedule 1.

Disclaimer

9. This report is based, in part, on information sourced from the Company's books and documents and information provided to me and my staff. My staff and I have reviewed the books, documents and information and whilst limited independent verification of the information has been conducted, no audit has been undertaken.

10. I have no reason to doubt the information contained in this report. The statements and opinions given in this report are given in good faith and in the belief that such statements and opinions are not false or misleading. I reserve the right to alter any conclusions reached on the basis of any changed or additional information which may become available to me.
11. Neither I, FTI Consulting nor any employee thereof undertakes any responsibility in any way whatsoever to any person in respect of any errors in this report arising from incorrect information provided to us.
12. This report is not for general circulation, publication nor reproduction and must not be disclosed without my written approval.
13. I do not assume or accept any responsibility for any liability or loss sustained by any Creditor or any other party as a result of the circulation, publication, reproduction or any other use of this report.
14. Each Creditor must seek their own independent legal advice as to their rights and the options available to them with respect to the liquidation of the Company.

Section 2: Conduct of winding up

15. In the 12 months commencing 9 March 2016, I attended only to my statutory reporting obligations.
16. I was unable to perform further actions as:
 - 16.1 The Company has insufficient available property to cover my expenses of undertaking a more expansive role in the winding up of the Company; and
 - 16.2 No Creditor has expressed an interest in providing funds to allow me to undertake such a role in the winding up.
17. For further information about a liquidator's obligation when a company has insufficient available property to cover the expenses of the liquidator, please refer to section 545 of the Act.

Section 3: Acts and dealings that remain to be carried out

18. The winding up will be completed when I have disclaimed or otherwise dealt satisfactorily with the Shares. During the period until I complete the winding up, I will attend only to my statutory reporting obligations in the absence of a Creditor providing funds to allow me to undertake a more expansive role.

Section 4: Estimate of when the winding up is likely to be complete

19. The winding up cannot be completed until Investec consents to me disclaiming or otherwise dealing with the Shares as Investec, in its capacity as Secured Creditor of the Company, exercise rights over those Shares.
20. Investec has advised that it ought to be in a position, following the sale of the Shopping Centre under the terms of its mortgage, to consent to me disclaiming or otherwise dealing with the Shares on or before 31 December 2017.

Section 5: Forecast return to ordinary unsecured creditors

21. I continue to forecast a return to Ordinary Unsecured Creditors of \$NIL cents in the dollar.

Section 6: Receipts and payments

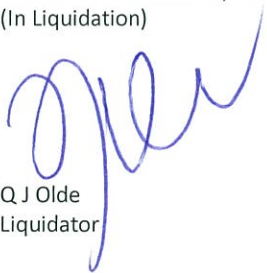
22. A summary of the amounts received and paid by me during the 12 months commencing 9 March 2016 is shown in the following table.

Summary of Receipts and Payments for the period 9 March 2016 to 8 March 2017	
	Amount \$
Opening Balance	3,361.00
Receipts	
Administration Funding	3,500.00
GST refund	647.00
Total Receipts	4,147.00
Payments	
Liquidator's fees	(6,508.82)
Liquidator's disbursements	(999.18)
Total Payments	(7,508.00)
Closing Balance	0.00

Section 7: Questions

23. Please contact Jonathan Chee of this office if you have any questions concerning this report or the Liquidation generally.

Yours faithfully
Novak International Pty Limited
(In Liquidation)



Q J Olde
Liquidator

L:\SYDMATTERS NON-HK\Current\Novak International - 015207.0001\9 - Creditor Meetings and Communications\508 Report\1705\NOV Annual Report 1705.docx

Schedule 1: Glossary

Term	Defintion
Act	Corporations Act 2001 (Cth)
Appointment Date	29 September 2011
Company	Novak International Pty Limited (Administrators Appointed) (Controller Appointed) ACN 107 025 114
Creditors	Creditors of the Company who have a claim admissible to proof in the liquidation of the Company
DOCA	Deed of Company Arrangement
Investec	Investec Bank (Australia) Limited ACN 071 292 594
Report to Creditors	The Report to Creditors dated 28 October 2011 prepared pursuant to section 439A of the Act
Second Meeting of Creditors	The Second Meeting of Creditors convened pursuant to section 439A of the Act
Shares	100 ordinary shares held by the Company in the Subsidiary
Shopping Centre	Northgate Shopping Centre located at Piper Street, South Tamworth
Subsidiary	Northgate Shopping Centre Property Holdings Pty Limited ACN 154 539 956



Quentin Olde
+61 2 8247 8000
quentin.olde@fticonsulting.com

Jonathan Chee
+61 2 8247 8000
jonathan.chee@fticonsulting.com

EXPERTS WITH IMPACT™

About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organisations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. FTI Consulting professionals, who are located in all major business centers throughout the world, work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management and restructuring.

www.fticonsulting.com

©2013 FTI Consulting, Inc. All rights reserved.