

16 December 2009

TO THE CREDITOR AS ADDRESSED

Dear Scheme Creditor

RE: OPES PRIME – SCHEME OF ARRANGEMENT (“THE SCHEMES”)

We refer to the Schemes and your claim as a Scheme Creditor. Capitalised words within this circular have the meaning given them in the Schemes of Arrangement document contained within Appendix 1 of the Explanatory Statement.

INTERIM DIVIDEND

You will recall that, in the Explanatory Statement to the Schemes, we set out our intention to pay a significant portion of the estimated dividend of 37 cents in the dollar by the end of December 2009.

We are pleased to declare and pay an interim dividend of 30 cents in the dollar to all Scheme Creditors with Established Scheme Claims. For those creditors who have made a Proprietary Claim, (by way of an Interim Securities Election Form), we recently wrote to you separately regarding redelivery of your entitlement to Deposited Securities. The process of redelivering the securities is underway.

Since the Schemes became effective, our solicitors, Mallesons Stephen Jacques, and the Panel, have corresponded separately with Scheme Creditors who made claims on the Plaintiffs’ Costs Fund. The Panel is now considering those claims and we expect resolution of the claims in early 2010.

Foreign Scheme Creditors who returned their Ratification Deed Poll and the legal opinion requested in our letter to them dated 4 December 2009, will receive their interim dividend with this circular. The interim dividend for those Foreign Scheme Creditors who are yet to provide those documents has been held in trust pending receipt of the documents. Once received, the interim dividend will be paid.

For all Scheme Creditors with Established Scheme Claims, other than those Foreign Scheme Creditors referred to above, your interim dividend cheque is enclosed.

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FURTHER DIVIDENDS

The Explanatory Statement to the Schemes set out the assumptions underlying our estimate of 37 cents in the dollar. We are optimistic that we will achieve about 37 cents in the dollar. The principal outstanding determinants are the final amount that Scheme Creditors are admitted to prove for a dividend, the realisation of remaining assets and the outcome of any recovery or other actions available to us as Liquidators.

If we can resolve Scheme Claims not yet agreed or which become subject to consideration by the Panel, Proprietary Claims and claims on the PCF reasonably early in 2010, we intend to pay a further interim dividend as soon as practicable thereafter.

SUMMARY OF SCHEME CREDITOR CLAIMS

Set out below is a summary of Scheme Claims received to date:-

	Number of Scheme Claims	Value (\$AUD)
Total Scheme Claims	674	669,749,352
Scheme Claims agreed	640	563,828,476
Scheme Claims not agreed or rejected	34	105,920,876
Scheme Creditors who have not submitted a Final Scheme Proof	114	2,345,820

The "Scheme Claims not agreed or rejected" may ultimately be withdrawn, agreed as between the Scheme Creditor and us or referred to the Panel. Scheme Creditors who have not submitted a Final Scheme Proof are relatively small in value.

WHAT REMAINS TO BE DONE UNDER THE SCHEMES

Broadly, the following matters remain outstanding:

- Resolution of Scheme claims not yet agreed or which are referred to the Panel, claims on the PCF and Proprietary Claims (including redelivery of Surplus Scheme Securities) and, further dividend payments;
- The outcome of the liquidation administrations of Opes Prime, OPSL, LCPL and HIPL (including investigations, the outcome of any recovery or other actions available to us as Liquidators and statutory reporting to ASIC);
- Realisation of remaining assets following the retirement of the Receivers and Managers (including Debtors);

We expect that the above may take one to two years to finalise. However, as stated above, when we are in a position to pay further dividends, we will do so.



QUERIES

Should you have queries regarding any of the above, please direct your queries via email to ops1@fh.com.au or contact Mr Chris Hitch of this office on +613 9604 5164.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'J Lindholm'.

JOHN LINDHOLM
SCHEME
ADMINISTRATOR

A handwritten signature in blue ink, appearing to read 'Adrian Brown'.

ADRIAN BROWN
SCHEME
ADMINISTRATOR

A handwritten signature in blue ink, appearing to read 'Peter McCluskey'.

PETER MCCLUSKEY
SCHEME
ADMINISTRATOR

Encl.