



KordaMentha

UPDATE TO INVESTORS

1 May 2013

Dear Investor

LM Managed Performance Fund
ABN 95 595 833 174 ('the Fund')

This is our third update to investors of the Fund.

We have become aware that FTI Consulting, as the former trustee, has recently been in contact with investors raising various issues and this update is in response to these matters and queries we have received from investors.

Australian Financial Services Licence ('AFSL')

The Trustees are very confident with respect to the nature of the AFSL held.

In view of the issues raised by the former trustees we have taken further advice which has again confirmed that our AFSL is wholly appropriate and adequate with respect to our role as Trustees and for the operation of the Fund.

Current position regarding Court proceedings

We understand investors' concerns regarding the effect on the value of the Fund of various ongoing legal proceedings.

Since our appointment, FTI Consulting has raised through Court applications various issues which are:

- Preventing the new Trustees from taking action to preserve and recover various loans made by the Fund;
- Putting at risk investor funds; and
- Creating unnecessary legal and professional costs.

In general we would like to progress with our role and responsibilities as Trustees as quickly and efficiently as possible.

In this regard we have received a material amount of investor support.

Any other investor or advisor who wishes to support KordaMentha and Calibre Capital should contact us as soon as possible and can do so by return email.

Corporate Recovery Services
Turnaround & Restructuring Services
Real Estate Advisory
Forensics

info@kordamentha.com
www.kordamentha.com

Liability limited by a scheme
approved under Professional
Standards Legislation

Brisbane

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Final orders of hearing of 29 April 2013

Further to our email of 29 April 2013 attaching the draft form of the orders of the Court of the same day, please find attached the final form of those orders.

Further updates and communication with investors

We will provide updates to investors on an ongoing basis with respect to all relevant matters in relation to the Fund.

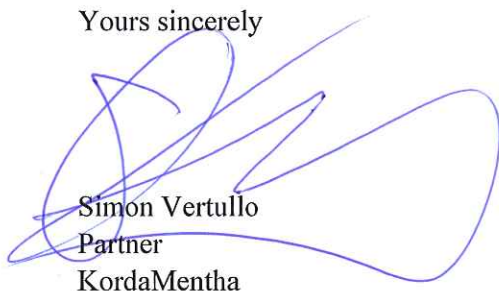
Investors are able to obtain further information in the interim as follows:

- All investors can telephone +61 7 3338 0286
- All investors can access the KordaMentha website at <http://www.kordamentha.com/creditor-information/australia/109>

Additionally, specific questions may be emailed to linvestors@kordamentha.com. We will answer your questions as soon as possible.

If your contact details have changed since your initial investment, we ask that you forward these details to the above email address.

Yours sincerely



Simon Vertullo
Partner
KordaMentha

SUPREME COURT OF QUEENSLAND

**REGISTRY: Brisbane
NUMBER: 3691 of 2013**

Applicants: KORDA MENTHA PTY LTD (ACN 100 169 391)

AND

**CALIBRE CAPITAL LIMITED (ABN 66 108 318) (in
their capacity as trustees of the LM MANAGED
PERFORMANCE FUND)**

**Respondents: THE MEMBERS OF THE LM MANAGED
PERFORMANCE FUND**

ORDER

Before: Justice P Lyons

Date: 29 April 2013

Initiating document: Originating Application filed 23 April 2013

THE ORDER OF THE COURT IS THAT:

1. The applicants be granted leave to amend their Originating Application;
2. LM Investment Management Limited (administrators appointed) and John Richard Park and Ginette Muller in their capacity as administrators of LM Investment Management Limited (administrators appointed) be added as the second respondents to the proceeding;
3. Trust Company (PTAL) Limited be added as the third respondent to the proceeding;
4. The further hearing of the application be adjourned to 10am on Thursday 2 May 2013;
5. Costs reserved.

THE COURT DIRECTS THAT:

1. The applicants serve a copy of this order forthwith on the third respondent;
2. The applicants take all reasonable steps to serve by email this order, and the Amended Originating Application, on the persons who are the first respondents;

ORDER

**Filed on Behalf of the Plaintiff
Form 59, Version 1**

**Uniform Civil Procedure Rules 1999
Rule 661
28082822v1**

**Name: Amanda Banton
Address: Piper Alderman
Level 23, 1 Farrer Place,
Sydney NSW 2000
Phone No: 9253 9999
Fax No: 92539900**

3. Should any of the first respondents or the third respondent request copies of the affidavit material, the applicants provide that affidavit material forthwith by email;
4. The second respondents file and serve their affidavit material by 6pm on Tuesday 30 April 2013;
5. The parties exchange their list of objections to the affidavit material already received by 6pm Tuesday 30 April 2013;
6. The applicants file and serve their affidavit material in reply by 4pm on Wednesday 1 May 2013;
7. The parties exchange their written submissions and send them to the Associate to P Lyons J by 9am on Thursday 2 May 2013.

Signed: