



23 June 2020

The Manager
Company Announcement Office
NSX
Suite 3.3, 1 Bligh Street,
Sydney NSW 2000

Dear Sir/Madam

OCTAVIAR LIQUIDATORS' UPDATE

Asset Resolution Limited (**ARL**) is pleased to announce that there has been significant progress made on the liquidation of Octaviar Limited (formerly MFS Limited) (**OL**) and of Octaviar Administration Pty Ltd (formerly MFS Administration Pty Ltd) (**OA**).

ARL is owed \$204 million by OL and approximately \$137 million by OA. Due to prior uncertainty as to the amount, if any, of any further distributions to ARL or their timing, the debts are currently held at zero value in the ARL accounts.

Bentley's, the liquidators of both OL and OA, have advised us that two legal disputes involving OA and OL have been settled subject to court approval. Details of these disputes and the settlements are confidential.

We expect to learn within the next three months whether Court approval has been obtained which would remove two key obstacles to a conclusion of the Octaviar liquidations and enable the Octaviar liquidators to more accurately forecast ARL's likely recoveries from OA and OL.

There remains one legal dispute that could delay completion of the OL liquidation. Bentleys are unable to estimate how long this will take to resolve, and therefore cannot express an opinion as to when ARL can expect to be paid.

Bentleys have provided us with an estimate of ARL's share of the OA and OL assets which is in the range of \$5 million to \$10 million taking into account the uncertainty relating to the remaining legal dispute but before allowing for costs, such as legal and liquidator fees. We emphasise that this is an estimate and is subject to change.

ARL remains unclear as to when any distributions will occur.

Giles Craig, Chairman of ARL said,

"We believe that Asset Resolution Limited will receive a material amount from the Octaviar Limited and Octaviar Administration Pty Ltd assets. However we are unable to provide an exact estimate of amounts recoverable at this time.

The Board would like to thank Shareholders for their patience and support over a great many years; we hope that the matter will be finalised soon and we will announce all updates on the NSX as soon as practicable"

For more information contact Asset Resolution Limited's company secretary, Vicky Allinson on 08 8423 0170 or email vicky.allinson@arlimited.com.au

By authority of the Board

Vicky Allinson FCCA, FGIA
Company Secretary

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