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Ref:PGW:DC:DM:vk

13 February 2017

TO CREDITORS AS ADDRESSED

Dear Sir/Madam

FLUSH FITNESS PTY LIMITED (ADMINISTRATOR APPOINTED) A.C.N. 119 435 504 ATF FLUSH FITNESS BUSINESS TRUST (the Company)

I was appointed as Administrator of the Company on 13 January 2017 in accordance with Section 436A of the Corporations Act 2001 (the Act).

Pursuant to section 439A(5)(b) of the Act, I am required to convene a second meeting of creditors within 20 business days after the commencement of the administration. On 10 February 2017, I made an application, pursuant to section 439A(6) of the Act, to the Federal Court of Australia in NSW (the Court) to seek an extension of the convening period for the following reasons:

- To seek offers for a purchase of the business and assets of the Company and/or proposals for a Deed of Company Arrangement (DOCA);
- To undertake a reconciliation of the Company's MYOB records, which was inadequate at the time of my appointment for creditor reporting purposes and for the purposes of providing interested parties with historical financial information; and
- To complete my statutory investigations into the affairs of the Company, including undertaking investigations into the Company's insolvency and the estimated date of same.

At present, I intend to continue to trade while seeking offers and/or a DOCA proposal.

The Court granted an extension of the convening period of the meeting for 90 days, up to and including 5 May 2017, pursuant to section 439A(6) of the Act.





The Court also ordered that the second meeting of creditors may be convened and held at any time during the period up to or within 5 business days after the end of the extended convening period, being 5 May 2017. I will issue a report to creditors at the time of convening the second meeting of creditors.

I attach a copy of the Orders made by the Court on 10 February 2017.

Should you have any queries, please contact Vicky Kwong of this office on (02) 9228 2422 or email vicky.kwong@pitcher.com.au.

Yours faithfully

Daniel Cooksley

For and on behalf of

PAUL G WESTON

Administrator

Flush Fitness Pty Limited (Administrator Appointed)

Encl.



Federal Court of Australia

District Registry: New South Wales

Division: General No: NSD160/2017

IN THE MATTER OF FLUSH FITNESS PTY LTD (ADMINISTRATOR APPOINTED) CAN 119 435 504 as Trustee for the FLUSH FITNESS BUSINESS TRUST

PAUL GERARD WESTON

Plaintiff

ORDER

JUDGE: JUSTICE YATES

DATE OF ORDER: 10 February 2017

WHERE MADE: Sydney

THE COURT ORDERS THAT:

1. Pursuant to s 439A(6) of the *Corporations Act* 2001(Cth) (**the Act**), the period within which the plaintiff must convene a meeting of creditors of Flush Fitness Pty Ltd (administrator appointed) (**the company**) under s 439A of the Act be extended by 90 days, up to and including 5 May 2017.

- 2. Pursuant to s 447A(1) of the Act, the meeting of the creditors of the company required by s 439A of the Act may be held at any time during, or within 5 business days after the end of, the convening period as extended by Order 1 notwithstanding the provisions of s 439A(2) of the Act.
- 3. Liberty be granted to the plaintiff to apply to the Court for any further extension of the convening period referred to in Order 1 at any time prior to 5 May 2017.
- 4. With respect to:

- 2 -

(a) those creditors (including persons claiming to be creditors) of the company (or

any of them) for whom the plaintiff has a current postal, facsimile or email

address (known creditors); and

(b) the Australian Securities and Investments Commission (ASIC),

the plaintiff inform the known creditors and ASIC of these orders by means of

circular forwarded by post, facsimile or email address (as appropriate) by 4:00 pm on

14 February 2017.

5. The plaintiff place on the website of Pitcher Partners, with respect to the company,

notice of the making of these orders by 4:00 pm on 17 February 2017.

6. Liberty to apply be granted to any person including any creditor who can

demonstrate sufficient interest to make such application as he, she or it may be

advised, to vary or discharge these orders upon 3 days' written notice being given to

the plaintiff and to the Court.

7. The costs of this application be paid out of the administration of the company.

8. Liberty be granted to the plaintiff to apply for the purpose of implementing these

orders.

9. These orders be entered forthwith.

Date that entry is stamped: 10 February 2017