Refer to: Lloyd Hayward

No. of Company: 1514898

Liquidators' Further Report

LTS Limited (In Liquidation)

For the period to 11 February 2013

Introduction

LTS Limited was placed into voluntary liquidation in Auckland on 12 February 2008 when Jeff Meltzer, Arron Heath and Lloyd Hayward of Meltzer Mason Heath were appointed joint and several Liquidators.

In accordance with section 255 of the Companies Act 1993 the Liquidators are obliged to report to all creditors and shareholders on the conduct of the liquidation during the preceding six months. This report covers the period to 11 February 2013

Action to Date

The Liquidators have previously reported on actions undertaken. See below for further comment on actions proposed by the Liquidators.

Receipts and Payments

There have been no receipts and no payments during the period covered by this report.

Asset Realisations

There have been no realisations of assets during the period covered by this report.

Dividends

There have been no dividends paid during the period covered by this report. At this time the Liquidators do not expect that there will be any dividend available for creditors.

The following sections of this report incorporate comments relating to all of the Blue Chip companies to which we have been appointed.

As previously reported, the Liquidators filed a statement of claim in the High Court at Auckland against former directors and auditors of Blue Chip related companies.

This claim has been suspended due to the current unavailability of funding for the litigation.

Although other parties have expressed an interest in looking at the possibility of proceeding with the litigation the Liquidators' view is that funding difficulties will prove an insurmountable barrier for any other party.

The matter is due to be heard again by the High Court in April 2013. The Liquidators anticipate that the claim will either be withdrawn at that hearing or as a consequence of the hearing.

Please contact Lloyd Hayward of this office should you require any further information.

Dated this 12th day of April 2013

L J Hayward
Liquidator