

HASTIE GROUP LIMITED AND SPECIFIC SUBSIDIARIES
(ADMINISTRATORS APPOINTED) ('HASTIE GROUP')

Hastie Group Services Pty Limited
(Administrators Appointed) (the 'Company')
ACN 098 837 088

Status at appointment:	Trading / Dormant / Administrative
Date acquired by Hastie Group:	22 November 2001
Principal activity:	The Company was used to assist in the administration of a particular large national contract undertaken by the Hastie Group services division. Management has advised that this entity was in the midst of being wound down at appointment.
Location of operations:	n/a

Creditors should consider this Hastie Group company report in conjunction with the body of this report under the following headings:

1. Expected return to creditors
2. Reasons for the Company's failure
3. Offences, voidable transactions and insolvent trading
4. Directors' Report as to Affairs (RATA)
5. Summary of historical financial results

Creditors are also advised to have regard to sections 7 and 8 of the Report for details of directors, registered charges and shareholders, along with the discussion on books and records.

1. Expected return to creditors

The Company has no recoverable assets. Consequently there is no return to creditors from assets of the Company.

Subject to the outcome of potential litigation (if pursued), the return to certain creditor classes may increase (refer to section 7 of the main report).

2. Reasons for the Company's failure

The Administrators' consider the principal reasons for the Company's failure are:

- the cessation of funding from a related company, Hastie Holdings Pty Ltd.

3. Offences, voidable transactions and insolvent trading

The Administrators' preliminary findings are detailed at Section 7 of the body of this report.

4. Directors' Report as to Affairs (RATA)

The directors have supplied a RATA showing only intergroup receivables and payables. No comment was provided on the Company's reasons for failure.

5. Summary of historical financial results

The Company has no trading history and holds only intergroup loans receivable of c\$2.1m. These amounts are unlikely to be recovered. The Company also reports intercompany payables of c\$3.6m. The only known creditor is the Banking Syndicate (\$530m) pursuant to the collective bank guarantee.