



30 June 2011

Dear Debentureholder

**Donovan Oates Hannaford Mortgage Corporation Limited  
(Receivers & Managers Appointed) (in Liquidation) ACN 086 879 307  
("DOHMC" or the "Company")**

**Thirteenth Report to Debentureholders – Interim short-form report**

This thirteenth report represents a brief update for Debentureholders on the forthcoming July 2011 distribution.

**Section 1: July 2011 Distribution – 4 Cents in the dollar**

We advise that we will be making a distribution of **4 cents in the dollar on or around 15 July 2011**. We expect to make another distribution in October 2011 and will provide further information on this distribution in our next update on or around 30 September 2011.

To date we have distributed \$130.7m to Debentureholders, which represents a return of 62% of the total balance owing to Debentureholders at the date of our appointment. Of this amount, \$127.8m is classified as a return of principal.

*Table 1: Historic Distributions Summary*

Date	Distribution to Debentureholders (\$)	Worked Example (\$)*	Comments
As at 1 April 2011	\$ 124,400,288.20	\$ 5,899.69	1.3% Interest distribution 57.7% Principal distribution
27/04/2011	\$ 6,321,866.20	\$300.00	3.0% Principal distribution
<b>Total as at 1 June 2011</b>	<b>\$ 130,722,154.40</b>	<b>\$ 6,199.69</b>	<b>62% Total distribution</b>

\* This column provides an example of distributions to a Debentureholder with a \$10,000 face value Debenture. The interest component of distributions was based on interest accruing at 8.2% per annum.

A distribution of 4 cents in the dollar during July 2011 will result in a return of 66% of the total balance owing to Debentureholders at the date of our appointment.

**Section 2: Future Distributions – In Excess of 70 Cents in the Dollar**

We are pleased to announce that as a result of favourable realisations recently, our estimated ultimate return to Debentureholders is **in the range of 72 to 74 cents in the dollar**, based on the total amount owed to Debentureholders at the time of our appointment. Please note that this estimate includes the 1.3 cent distribution of interest that you received in the March and April 2008 distributions.

The timing of future distributions and the final return to Debentureholders remains dependent on the ultimate success of the property realisation strategy which may be impacted by factors beyond our control, such as achieving property sales for remaining properties that are subject to a low level of demand.

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### **Section 3: Discussions with the Trustee**

We continue to regularly liaise with and seek approval of certain activities from the Trustee. As a result, the Trustee continues to monitor the progress of the Receivership and is involved in all important strategic decisions.

### **Section 4: Communication**

- Visit the website [www.pwcrecovery.com](http://www.pwcrecovery.com) by selecting 'Donovan Oates Hannaford Mortgage Corporation' under 'Businesses under Management' for past updates and information in relation to DOHMC;
- Call the DOHMC Port Macquarie Office on 1300 654 849, Monday to Wednesday between 8:30am to 5:00pm; or Thursday between 8:30am to 3:00pm; or
- Write to: Greg Hall, Receiver and Manager, Donovan Oates Hannaford Mortgage Corporation Limited (Receivers and Managers appointed) (in Liquidation), C/- PricewaterhouseCoopers, GPO Box 2650, Sydney NSW 1171.
- Please note that any changes to your postal or residential address or changes to your banking arrangements should be reported to our Port Macquarie office where the Debentureholder database is maintained.

### **Section 5: Next Steps**

You will receive your **Annual Statement of Principal Repayments** made to Debentureholders **around late July 2011**.

As outlined above, we intend to make our next payment to Debentureholders **on or around 15 July 2011, equivalent to 4 cents in the dollar** of Debentureholders' principal balance outstanding as at the time of the Receivers' appointment.

We will provide a comprehensive **report on or around 30 September 2011**, which will provide further information on the proposed October 2011 distribution, our property realisation strategy and further information regarding the ultimate return to debentureholders.

Yours sincerely,

**Greg Hall**  
Receiver and Manager

**Ian England**  
Receiver and Manager