

23 March 2016

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Dear Investor

Notice Pursuant to Section 601NC of the Corporations Act - Proposed Wind Up of Questus Land Development Fund ARSN 116 602 076

After careful review of the current position of Questus Land Development Fund (ARSN 116 602 078) (**Fund**), Questus Funds Management Ltd as responsible entity considers that the Fund is not in a position to be able to accomplish its purpose and therefore it is proposed that the Fund be wound up.

The reason the Fund's purpose cannot be accomplished is that the Fund's subsidiaries which undertook property development activities were placed in receivership and the Fund has no assets of substance except for its rights in complex Court proceedings which are of indeterminate value and a net asset deficiency of approximately \$33 million.

Please note that you and your fellow members have a right to take action under Division 1 of Part 2G.4 of the Corporations Act 2001 to call a members' meeting to consider the proposed winding up of the Fund and vote on any extraordinary resolution members propose about the winding up of the Fund.

The responsible entity is permitted to wind up the Fund unless a meeting is called to consider the proposed winding up of the Fund within 28 days of the date this notice is given to members.

Should you have any queries or need any update as to the winding up of the Fund, please contact Graeme Goff of this office.

Yours sincerely



Graeme Goff
Chief Financial Officer