



**Via ASX Online**

**ASX Market Announcements Office  
ASX Limited**

**8 July 2014**

#### **UPDATE TO SHAREHOLDERS**

On 9 April 2014 the Company announced the appointment of Mr John Pereira as non-executive chairman of Stanfield Funds Management Limited (SFN/Company), occasioned by Mr Darren Olney-Fraser resigning from office as a director of the Company.

Responding to the financial and operational state of the Company on taking office, Mr Pereira and the Board set about undertaking a series of reviews to establish the strengths and weaknesses of the Company and, in particular, determine those activities that were most likely to enhance shareholder value in the immediate and longer term.

It was clear to the Board after completion of those reviews that the underlying assets of the Company could not and did not support a share price of \$0.40; a notional share price that had prevailed for some time prior, albeit in a market with little to no liquidity.

The recent reduction in the share market price of the Company's shares reflects the actual underlying net asset position of the Company, and it is on this basis upon which the Company has been able to secure vital debt and equity financing to secure sufficient working capital to ensure the operation of the Company as a going concern in the immediate future.

Actions implemented since April to restore strength to the Company and position it for long term growth include:

- The release on 21 May of a strategic outline including the identification of those sectors in which specific projects are being pursued. These included education and technology, finance, tourism, property and resources and healthcare all of which will be developed by leveraging the company's established relationships in China and its access to other Asian markets.
- The relationship with the a major shareholder of the Company, the Hong Kong based Skyline Entertainment Holding Limited, has been strengthened and is an important element of the company's future.

- Recognition of the need to introduce funding initially to cover this development phase. In this regard all of the Company's share placement capacity has been utilised and a further \$300,000 has been raised through convertible notes. The Directors recognise the need to develop a clear direction before approaching existing or new potential shareholders for additional equity contributions.
- The initial 3 month period has focussed heavily on project identification in the context of the announced strategic framework. The Directors are pleased to advise that specific projects in the technology, tourism and resources sectors are at an advanced stage of negotiation and further detail will be released when formal agreements are finalised.
- Further to previous updates to shareholders, the Company has agreed to acquire Atlas Capital Management Limited; however, completion of this acquisition is subject to the approval by shareholders at a General Meeting of the issue of shares in respect of the acquisition.

The Company's acquisition of Easybookings (International) Pte Ltd (the salient terms of which were announced on 3 April 2014) was negotiated by the Company's former Chairman (Mr Darren Olney-Fraser).

It was a term of that acquisition that the shareholders of Easybookings Marketing Pty Ltd (the entity which owns the IP and goodwill of the EasyBookings business) approve the sale of shares to Easybookings (International) Pte Ltd. The shareholders of Easybookings Marketing Pty Ltd have delayed this approval pending their receipt of legal advice as to the adequacy of certain disclosures and representations made by Mr Olney-Fraser regarding the Company in the process of negotiation of that proposed acquisition. Further, the shareholders of Easybookings Marketing Pty Ltd have expressed concern that the Company does not presently have sufficient working capital to operate the Easybookings business as a going concern and that this would materially prejudice the value of the Easybookings business. The Company will advise shareholders in due course as to any update in the status of the acquisition.

Finally, the Company advises shareholders it received a request dated 27 June 2014, but received by the Company on 30 June 2014, from Nottingham Funds Management Pty Ltd (a company controlled by Mr Olney-Fraser) for a copy of the register of shareholders for the purposes of Nottingham Funds Management Pty Ltd calling and arranging a general meeting of shareholders (pursuant to section 249F of the Corporations Act) in order to resolve to remove Mr John Pereira as a director of the Company, and to resolve to appoint Mr Carl Clump as a director of the Company.

Mr Olney-Fraser advised the Company by email sent on 26 June 2014 that he had entered into an agreement to sell all of [his] Stanfield shares+subject to a number of conditions precedent+and that pending settlement of that sale [he had] granted them a proxy over [his] shares for any shareholder meeting that may occur during that time.+

Two of the stated conditions to that sale were the resignation or removal of Mr John Pereira as a director of the Company, and the appointment of Mr Carl Clump as a director as a representative of the purchaser of the shares of Nottingham Funds Management Pty Ltd.

Further, the Company has advised Mr Olney-Fraser that the proposed resolution for the removal of Mr John Pereira as a director of the Company at a meeting of shareholders of the Company to be called and arranged by Nottingham Funds Management Pty Ltd will be invalid business for the purposes of a meeting of shareholders. The proposed resolution does not comply with the requirements of the Company's constitution nor the Corporations Act relating to the removal from office of a director of the Company. Should it prove necessary, the Company will consider injunctive relief to prevent Nottingham Funds Management Pty Ltd from holding a meeting of shareholders of the Company if such meeting would be in breach of the constitution of the Company and Corporations Act, and may pursue declarative

relief with respect to the validity of a shareholder seeking to arrange a meeting of shareholders where that shareholder has granted a third party a voting proxy over their shares in the Company.

The Board will keep shareholders informed of all developments.

**For further information, please contact:**

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