

12 June 2012

MAX TRUST ARSN 115 268 660 (ASX: MXQ)

MARKET UPDATE – OPTIONS TO FURTHER IMPROVE DEBT STRUCTURE AND ALLOW EARLIER REALISATION OF VALUE FOR ALL PARTIES

Key points:

- Appointment of Aquasia Pty Ltd as debt advisor announced in February 2012.
- Review of options to further improve Max's debt structure and allow earlier realisation of value for all parties has been completed.
- Recommendation that Aquasia be instructed to commence discussions with Noteholders to reconfigure the debt arrangements to allow for an accelerated programme for the sale of assets and early repayment of the notes.

In February 2012, The Trust Company (RE Services) Limited (**The Trust Company**) in its capacity as responsible entity for Max Trust (**Max**) announced that Aquasia Pty Limited (**Aquasia**) had been appointed as its debt advisor and that Aquasia would be assisting The Trust Company to assess the various options that may be pursued in relation to Max's debt arrangements, including whether to restructure the Pass Through (**PT**) Notes.

Aquasia has completed its assessment of the various options that may be pursued in relation to Max's debt to unlock greater value for unitholders.

Aquasia has recommended that The Trust Company instruct Aquasia to commence discussions with the PT Noteholders to reconfigure Max's existing debt arrangements to allow for an accelerated programme for the sale of assets and early repayment of the notes.

Current amount outstanding under PT Notes

At the time of the restructure to Max's debt arrangements which occurred in June 2009, the principal outstanding under the two tranches of the PT Notes were:

\$m	A1 PT Notes	A2 PT Notes	Total
PT Notes Principal	\$166.3	\$485.7	\$652.0

Since 2009, as a result of asset sales and maturities, the amounts outstanding under the PT Notes as of 31 March 2012 has reduced to:

\$m	A1 PT Notes	A2 PT Notes	Total
PT Notes Principal	\$21.641	\$21.031	\$42.672
Deferred margin (face value)	\$63.186	\$19.504	\$82.690
Total	\$84.827	\$40.535	\$125.362

Note: figures have not been subject to audit

Next steps

The Trust Company has instructed Aquasia to commence discussions with the PT Noteholders to seek a restructure of the existing debt arrangements to allow for an accelerated programme for the sale of assets and early repayment of the notes.

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There can be no assurance that The Trust Company and the PT Noteholders will be able to negotiate the restructure of the PT Notes on terms acceptable to the PT Noteholders which unlocks greater value for Max's unitholders.

The Trust Company will keep the market informed of the outcome of these discussions.

ENDS

Further information

For further information please contact Rupert Smoker or David Lom on 02 8295 8100.