



**HILLCREST LITIGATION SERVICES LIMITED**

**ASX ANNOUNCEMENT**

**QUARTERLY UPDATE ON CASE PORTFOLIO**

31 July 2012

Hillcrest Litigation Services Limited (“the Company”) hereby provides the Company’s quarterly update on its Case Portfolio of funding agreements.

If you have any queries in relation to this matter, please do not hesitate to contact the Company Secretary on (08) 9324 3266.

Yours sincerely

**HILLCREST LITIGATION SERVICES LIMITED**

A handwritten signature in black ink, appearing to read 'Ian Allen', is written over a horizontal line. The signature is stylized and fluid.

**Ian Allen**  
Company Secretary

## HILLCREST'S CURRENT CASE PORTFOLIO

The Company presently has funding agreements for 5 cases, as listed in the table below. A brief description of each case follows the table.

The "Amount of Claim" shown for each case is the Company's current best estimate of the amount recoverable by the client/plaintiff, assuming that the litigation is wholly successful at trial. However, the amount that is ultimately recovered by the client/plaintiff in each case may be significantly different from the current estimate of the Amount of Claim for that case as stated in the table; particularly in circumstances where there is an agreed settlement between the parties to the litigation or where the litigation fails or is not wholly successful at trial.

<b>Case No.</b>	<b>Case</b>	<b>Amount of Claim</b>
<b>1</b>	<b>Great Southern</b>	<b>Not yet known</b>
<b>2</b>	<b>Great Southern Finance</b>	<b>Not yet known</b>
<b>3</b>	<b>MMFC -v- IPL</b>	<b>\$37,500,000</b>
<b>4</b>	<b>Shields</b>	<b>\$2,000,000</b>
<b>5</b>	<b>CAT</b>	<b>\$3,000,000</b>

### DESCRIPTION OF CASES

**1. Great Southern Limited (In Liquidation) (Receivers and Managers Appointed)**

HLS has agreed to provide funding to the liquidators of the company to enable them to complete their investigations into certain aspects of the affairs of the company and thereafter to pursue any recovery actions as appropriate.

HLS and the liquidators have now conditionally agreed to terminate the funding arrangement. The termination is conditional upon the liquidators obtaining court approval to a new funding agreement between the liquidators and a new litigation funder on terms which provide for HLS to be reimbursed with its funding costs to date (approximately \$460,000) from the proceeds of any successful recovery actions undertaken by the liquidators under the new funding arrangement.

The termination of the funding arrangement between the liquidators and HLS remains conditional because the liquidators have not yet obtained court approval to the new funding agreement.

**2. Great Southern Finance Pty Ltd (In Liquidation)**

HLS has agreed to provide funding to the liquidators of the company to enable them to complete their investigations into certain aspects of the affairs of the company and thereafter to pursue any recovery actions as appropriate.

HLS and the liquidators have now conditionally agreed to terminate the funding arrangement. The termination is conditional upon the liquidators obtaining court approval to a new funding agreement between the liquidators and a new litigation funder on terms which provide for HLS to be reimbursed with its funding costs to date (approximately \$30,000) from the proceeds of any successful recovery actions undertaken by the liquidators under the new funding arrangement.

The termination of the funding arrangement between the liquidators and HLS remains conditional because the liquidators have not yet obtained court approval to the new funding agreement.

**3. MMFC -v- IPL**

HLS has agreed to fund MMFC in a proceeding in the Supreme Court of Victoria wherein MMFC alleges that IPL breached an obligation of confidence that it owed to MMFC by the unauthorised use and disclosure of a body of information relating to a methodology for structuring long term equipment leases. MMFC is seeking, amongst other relief, an account of the profits made by IPL from the alleged unauthorised use of the information.

**4. Shields Media Pty Ltd (In Liquidation)**

HLS has agreed to fund the liquidator of the company in a negligence action against a firm of solicitors.

The parties have reached a non-binding agreement in principle for a settlement of the matter on terms whereby HLS will receive approximately \$410,000 (representing approximately \$175,000 in reimbursement of funding costs and approximately \$225,000 in profit). The non-binding in principle agreement is subject to execution of a formal deed of settlement, which is expected to occur within 28 days.

**5. Computer Accounting & Tax Pty Ltd (In Liquidation)**

HLS has agreed to fund the liquidator of the company in proceedings in the Supreme Court of Western Australia between the company and its directors in relation to the proper entitlement to certain real property and certain monetary amounts.