

TO INVESTORS

21 June 2012

EQUITITRUST INCOME FUND ARSN 089 079 854 (“EIF”) (RECEIVER APPOINTED) (“The Fund”)

I refer to my previous reports dated 1 February 2012, 21 February, 27 March 2012 and 16 May 2012 and now provide my fifth update to investors on the progress of the winding up of the Fund by me as Court appointed receiver of the property of the Fund.

1. Receipts and Payments

I provide below a summary of the Receipts and Payments of the Fund for the period 14 May to 17 June 2012.

Summary of Receipts and Payments for the Period 14 May 2012 to 17 June 2012		
Opening Cash at Bank		2,381,045.74
Receipts		
Loan Recoveries:		
Elysian Marketing Pty Ltd et al ATF	367,821.57	
Mountbell Pty Ltd	478,157.31	
Rosea Pty Ltd	39,166.66	
Toowoomba (Foundry Shopping Centre) Pty Ltd	3,527.33	
Tweed Central Pty Ltd	40,016.02	
Valencia Grove Pty Ltd	16,204.63	944,893.52
Total Receipts		944,893.52
Payments		
Bank Charges		30.40
Distressed Loan funding:		
Boothers Pty Ltd	4,147.95	
Checkling Pty Ltd	3,457.94	
Corymbia Corporation Pty Ltd	64,662.76	
Corymbia Estates Pty Ltd	1,379.13	
CTP Pty Ltd	3,631.88	
East Coast Pty Ltd	8,449.15	



Gamp Developments Pty Ltd	5,266.71	
Gonfanon Pty Ltd	968.55	
Kele Property Group (Port Macquarie) Pty Ltd	5,030.12	
Morvale Land Pty Ltd	21,496.04	
Mountbell Pty Ltd	612.01	
Newton, Kristine Lorraine	771.93	
Resort Corporation Australia (No 2) Pty Ltd (In Liq)	2,827.00	
Toowoomba (Foundry Shopping Centre) Pty Ltd	16,215.25	
Tweed Central Pty Ltd	6,407.07	
Valencia Grove Pty Ltd	84,843.36	
Western Land Corporation	27,399.73	
Wirrina Corporation Pty Ltd	110,862.25	368,428.83
External Receiver Outlays (David Clout)		297.00
Insurance		1,267.26
IT expenses		6,066.90
Legal Fees		39,144.60
Mileage Allowance		350.25
Motor Vehicle Expenses		9.68
Office Rental charge		8,670.95
Reversal of prior period payment (re-issued in current period)		(4,501.83)
Secured Creditor distribution - National Australia Bank		1,278,882.38
Superannuation Contribution Paid		3,212.50
Wages & Salaries		29,562.26
Total Payments		1,731,421.18
Closing Cash at Bank		1,594,518.08

2. Realisation of Assets

As this is a public document and to ensure I do not prejudice any ongoing negotiations regarding the sale of the properties, I will not at this time identify individual properties and/or their expected realisable values. However, I summarise in the table below the sales completed since my appointment, contracts on foot and current offers accepted and waiting execution of contracts:

	\$
Sales completed	7,813,866
Four contracts on foot	2,133,186
One offer accepted, awaiting executed contract	2,750,000

With respect to the contracts on foot, I note the following:

- A deed of settlement has been executed with \$150,000 received on 18 June 2012 and \$1.1M to be received on 17 June 2013.
- Three unconditional contracts totalling \$1,033,186 are due to settle between 30 November 2012 and 23 December 2012.

With respect to the offer accepted, I note the following:

- A contract for \$2.95M noted in my fourth report has not progressed, however a new contract for \$2.75M has been submitted for execution.

The contract for \$1.575M noted in my fourth report has not progressed due to unsatisfactory due diligence. The material change of use approval “(MCU)” has lapsed and therefore steps are being taken to ascertain if the MCU can be reinstated. A realisation strategy will be developed thereafter.

The remaining 15 properties, with the exception of one property, is currently on the market or being prepared for the commencement of sale campaigns. The property not presently subject to a sale campaign is currently subject to possession proceedings.

I will update investors on the progress of the sales in my monthly reports to investors. With the contracts on foot and sale campaigns reaching their closing date, I am hopeful that NAB will be repaid in full by the end of August 2012.

3. Legal Proceedings

As previously advised, there are currently nine legal actions on foot although five are largely finalised with cost orders to be recovered in four of those matters.

The remaining actions are expected to realise several million dollars for the benefit of investors although this may take some time to realise.

Additionally, as noted above possession proceedings are continuing in respect of one property. In addition, two actions are progressing against the same valuer for negligence and damages in excess of \$10M. Any amount recoverable in this latter respect will be sought against a professional indemnity insurance policy.

4. Appeal of Court Order

Equititrust Limited filed an appeal with respect to the terms of the Court Orders dated 21 and 23 November 2011, in respect to the powers granted to me as Receiver of EIF. The appeal had not progressed and has now been dismissed by the Supreme Court of Queensland as the Liquidators failed to appear and acknowledged they would not be progressing the appeal.



5. Estimated Return to Investors

I provide below an estimated return to investors of between 17 and 28 cents in the dollar as at 31 May 2012 as follows:

	Low	High
	\$000's	\$000's
Total estimated selling prices	53,846	76,719
Less: Selling costs - marketing and agents fees (3.5%)	(1,885)	(2,685)
Secured creditors (net of cash at bank)	(8,458)	(8,458)
Land Tax and Rates	(7,900)	(7,900)
Other unsecured creditors	(373)	(373)
Receivers fees	(544)	(544)
Estimated net amount available to investors as at 31 May 2012	34,686	56,759
Total investors units	203,635	203,635
Estimated return in the dollar	\$0.17	\$0.28

The above table does not take into account future operating costs, interest on bank loans until repaid in full, future Receivers fees and rates and land tax after 31 May 2012. It also excludes any legal recoveries against borrowers, valuers or other third parties.

Subject to the sale of the properties currently on the market and where sale campaigns are to commence, I remain hopeful that I will be able to commence interim distributions to investors in the second half of this year. This will be after paying secured creditors, land tax and rates, Receivers fees and the unsecured creditors who rank ahead of investors' interests.

6. Receivers Remuneration & Expenses

I attach a remuneration summary covering the period from 21 November 2011 to 17 June 2012 (seven months) in respect of fees incurred of \$544,539 plus outlays of \$11,992.46 plus GST. None of the fees have been drawn to date.

As advised in my fourth report, I am currently preparing an application to Court to seek approval of my fees. I will notify creditors and investors of the application date with relevant documents to be uploaded to the websites www.equititrust.com.au and www.equititrustincomefund.com.au.



7. Contact Details

As previously advised, the staff and consultants engaged by me to assist in the winding up of the fund are located at the following address which should be used for all communications.

Postal Address: Equititrust Income Fund
Wyndham Building
Level 9, 1 Corporate Court
BUNDALL QLD 4217

Phone: 07 5510 4870
Fax: 07 5510 4907

8. Queries

Monthly reports will continue to be uploaded to the websites www.equititrust.com.au and www.equitrustincomefund.com.au. The latter new website is currently a copy of the old website and will be upgraded in due course.

Should investors have any queries in relation to the winding up of the Fund, they should contact the investors relation manager, Trish Riley on (07) 5510 4870 or my office on (07) 3237 5999 or by email at info@bdo.com.au. In the event investors raise queries not covered by the monthly reports, I will consider adding a frequently asked questions section to the new website.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'David Whyte'. The signature is fluid and cursive, with a long horizontal stroke extending to the left.

David Whyte
Receiver

Equititrust Income Fund (Receiver Appointed)
21 November 2011 to 17 June 2012

Employee	Position	Rate	Total Units	Total \$	Administration		Assets		Creditors		Employees		Investigations		Trade-on	
					Units	\$	Units	\$	Units	\$	Units	\$	Units	\$	Units	\$
Fielding, Andrew	Partner	545	0.20	109.00	0.20	109.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Newman, Helen	Partner	545	0.60	327.00	0.60	327.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Whyte, David	Partner	545	658.70	358,991.50	15.20	8,284.00	139.60	76,082.00	42.10	22,944.50	0.60	327.00	8.70	4,741.50	452.50	246,612.50
Brushe, David	Manager	375	146.00	54,750.00	28.00	10,500.00	86.00	32,250.00	1.80	675.00	0.00	0.00	1.50	562.50	28.70	10,762.50
Raphael, Alastair	Manager	375	0.80	300.00	0.80	300.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Somerville, John	Manager	375	80.30	30,112.50	18.10	6,787.50	49.80	18,675.00	4.70	1,762.50	0.00	0.00	0.50	187.50	7.20	2,700.00
Bauer, Kirsty	Senior Accountant II	260	8.00	2,080.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8.00	2,080.00	0.00	0.00
Robotham, Scott	Senior Accountant II	260	0.20	52.00	0.20	52.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Want, Andrew	Senior Accountant II	260	297.40	77,324.00	281.80	73,268.00	2.10	546.00	5.40	1,404.00	0.00	0.00	0.00	0.00	8.10	2,106.00
Coulston, Jayden	Accountant I	210	63.40	13,314.00	20.60	4,326.00	13.30	2,793.00	26.00	5,460.00	1.90	399.00	1.10	231.00	0.50	105.00
Jones, Annabel	Accountant I	210	17.30	3,633.00	17.30	3,633.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pembroke, Elle	Accountant I	210	7.80	1,638.00	7.40	1,554.00	0.00	0.00	0.40	84.00	0.00	0.00	0.00	0.00	0.00	0.00
Glasper, Michael	Accountant II	160	6.50	1,040.00	6.50	1,040.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Richardson, Ashley	Administrative Assistant	70	12.40	868.00	12.40	868.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL			1,299.60	544,539.00	409.10	111,048.50	290.80	130,346.00	80.40	32,330.00	2.50	726.00	19.80	7,802.50	497.00	262,286.00
GST				54,453.90												
TOTAL INC GST				598,992.90												
AVERAGE HOURLY RATE				419.01		271.45		448.23		402.11		290.40		394.07		527.74



DISBURSEMENT REPORT

Equititrust Income Fund (Receiver Appointed)
21 November 2011 to 17 June 2012

Item	
NSW Power of Attorney Transfer fee	90.45
Airfares	2,475.41
Travel - Mileage	2,557.50
Travel - Taxi	104.94
Travel - Car Rental	469.47
Parking	134.55
Courier	449.49
Mobile Internet	53.63
EIF - Photocopier install	255.00
Postage	811.82
Photocopying	3,811.80
Search Fee	778.40
Sub Total	11,992.46
GST	1,199.25
TOTAL	13,191.71