

MEDIA RELEASE

28 September 2020 – MELBOURNE, AUSTRALIA

Mayfair 101 Group’s Response to Provisional Liquidators Report

The provisional liquidators report prepared by Grant Thornton with respect to M101 Nominees Pty Ltd was filed in the Federal Court on 24 September 2020.

Mayfair 101 Group acknowledges the report and notes there are a number of matters that remain open that are still to be clarified. The Mayfair 101 team will continue to work cooperatively with Grant Thornton to address any outstanding items.

The application to appoint provisional liquidators and the subsequent report both make reference to potential deficiencies in the security structure of the M Core notes. The structure was overseen and managed on behalf of noteholders by a Security Trustee, Pinnacle Advisory Group. The Security Trustee was responsible for implementing and monitoring the pool of collateral securing the M Core product on behalf of noteholders.

The collateral pool pledged for the benefit of M Core investors comprises the equity interests of Mayfair 101 Group’s real estate portfolio in Mission Beach, Queensland, including the freehold of Dunk Island. The collateral pool is also interchangeable with other Group assets, being an important feature of the product.

Mayfair 101 Group’s Managing Director, James Mawhinney, stated “The provisional liquidators report confirms yet again that there is no ‘smoking gun’. All monies raised have been put toward tangible investments and utilised in line with our disclosure documents.”

He continued, “An astounding amount of Government resource has been poured into looking for technical flaws in our structure and business activities to support theories of misconduct, which are simply untrue. A depletion of value has naturally occurred in the pool of assets we pledged due to the project underpinning the structure only being partially funded and other financiers taking steps to protect their own interests. This could have been avoided by taking a more consultative and less aggressive approach. All that matters now is that we deliver a positive outcome for our investors.”

Over the past few months Mayfair 101 Group has assembled a high calibre team of experienced advisers to develop a restructuring proposal. The proposal is aimed at providing a favourable outcome for noteholders and avoiding an unnecessary liquidation of assets.

Mayfair 101 Group plans to present its restructuring proposal in the next few weeks and will continue working cooperatively with Grant Thornton to achieve a positive outcome for noteholders.

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MEDIA ENQUIRIES

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