

Liquidators' Six Monthly Report

PROMETHEUS FINANCE LIMITED (IN LIQUIDATION)

Introduction

On 10 December 2015 at 11:20am, Iain Shephard and Heath Gair were appointed liquidators jointly and severally of Prometheus Finance Limited by special resolution signed by the shareholders.

Heath Gair vacated as liquidator on 12 August 2016.

This is our six monthly report required by Section 255(2)(d) of the Companies Act 1993 and is to be read in conjunction with our previous reports.

Background

Prometheus Finance Limited ("the Company") was a finance company which focused on social and environmental lending.

On 17 March 2014, John Fisk and Jeremy Morley of PwC were appointed receivers. Secured investors have since been repaid all principal and interest and the receivers have retired.

The shareholders resolved to place the Company into liquidation.

Liquidators' Actions

The liquidators have liaised with many parties including Inland Revenue, the Companies Office, the New Zealand Gazette and the Accident Compensation Corporation, and completed a review of all information received.

The liquidators advertised their appointment in the relevant publications and made a call for creditor claims. The liquidators also directly contacted all known creditors and answered any queries they may have had. The liquidators subsequently reviewed all completed creditor claim forms received.

The primary function of this liquidation has been to assess the claims of a group known as "Small Offer Shareholders". These parties subscribed for shares just prior to the Company being placed into receivership. They, via their solicitor, have been claiming that they were misled and are therefore either unsecured creditors or have a claim in priority to the existing shareholders. They are also of the opinion that the Directors breached their duties and obligations in respect of the share issue. The liquidators are attempting to resolve this matter on a commercially realistic basis. The liquidators are cognisant that any litigation is likely to consume the funds held.

Creditors' Claims

Secured Creditors

Secured creditor claims were settled by the receivers.

Preferential Creditors

The liquidators have received one preferential claims, totaling \$100,765.99. The Receivers had settled the preferential Inland Revenue claim as at the time of receivership however the Inland Revenue have filed an amended claim which includes RWT due to the end of December 2015.

Unsecured Creditors

The liquidators have received seven unsecured claims, totaling \$68,367.49 (this excludes any Small Offer Shareholders). The debt owed to Small Offer Shareholders is \$210,000.

Prospect of a Distribution

The liquidators expect that there will be a distribution to the preferential creditor (subject to admission of the claim). It is anticipated that there will be a distribution to unsecured creditors however the quantum of such distribution is dependent upon the resolution of the dispute with the Small Offer Shareholders.

Receipts and Payments

A schedule of the liquidators' receipts and payments is enclosed.

Estimated Date of Completion

It is not practical to estimate the date of completion at this time.

Contact Details

| | |
|----------------|----------------------------|
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IAIN SHEPHARD
Liquidator

Dated June 2016

PROMETHEUS FINANCE LIMITED (IN LIQUIDATION)

Schedule of Liquidators' Receipts & Payments

As at: 1 June 2016

Receipts

| | |
|----------------------|------------|
| Funds from Receivers | 275,629.83 |
| IRD - GST Refund | 2,396.27 |
| Interest | 219.98 |

278,246.08

Less Payments

| | |
|-------------------------------------|-----------|
| Computer Services | 938.40 |
| Legal Fees | 3,260.25 |
| Liquidators Costs and Disbursements | 27,571.16 |
| RWT | 72.60 |
| Storage | 347.03 |

32,189.44

Liquidators' Bank Account

246,056.64