

TO THE SUPPLIER AS ADDRESSED

27 June 2016

Dear Sir / Madam

Gordon Smith Marketing Pty. Ltd. ACN 003 840 168
Rodney Clark Pty Ltd ACN 088 072 244
Rodney Clark Retail Pty Ltd ACN 138 806 256
(All Administrator Appointed) ('the Companies')

I refer to the Companies and note that I was appointed Administrator of the Companies on 27 June 2016 pursuant to a resolution passed by the director under Section 436A of the *Corporations Act 2001* ('the Act').

Operations of the Company

Prior to my appointment the Companies entered into a sale of business contract with Brands For Us Pty Ltd in relation to the majority of the Companies businesses and assets. I understand the purchaser intends to continue the operations of the Companies including the ongoing employment of the staff, continuation of the retail outlets and summer orders.

Following my appointment, I have entered into a licensing arrangement with the purchaser to license the business to them pending settlement of the sale contract. Accordingly, the businesses continue to operate under the control of the purchaser and subject to the licensing arrangements I have entered into with the purchaser.

Supplier accounts and outstanding orders

Suppliers should contact the purchaser as detailed below to discuss ongoing supply and the establishment of new supply accounts:

Name: Danielle Sterry
Company: Brands For Us Pty Ltd (Trading name threadz)
Phone: 9486 9277
Email: Danielle@threadz.com.au

As I am not trading the Companies I do not accept liability for any services or supplies. I note there may be some exceptions such as store leases, utilities which will remain with the Companies pending an assignment to the purchaser. In this regard please contact me to discuss ongoing arrangements.

Accordingly, suppliers should immediately close off any current accounts and send a final invoice. That invoice and the balance of any outstanding invoices, will represent an unsecured claim against the Company.

If there are any outstanding or unfilled orders placed by the Companies these may be required by the purchaser. Please contact my office to obtain instructions regarding these orders. I will not automatically accept liability for any orders placed prior to my appointment.

Please note pursuant to the Corporations Act a right of set off cannot be enforced between the pre and post appointment periods.

Should you require any further information, please do not hesitate to contact Mr Rob Cleary on 0437 100 730 or by email rob@asadvisory.com.au .

Yours faithfully

Gordon Smith Marketing Pty. Ltd. ACN 003 840 168

Rodney Clark Pty Ltd ACN 088 072 244

Rodney Clark Retail Pty Ltd ACN 138 806 256

(All Administrator Appointed)

A handwritten signature in blue ink, appearing to read 'Andrew Schwarz', with a horizontal line underneath it.

Andrew Schwarz
Administrator