



IMF (Australia) Ltd

RELEASE TO AUSTRALIAN STOCK EXCHANGE ("ASX")

FRIDAY, 20 APRIL 2007

UPDATE - MEADOW SPRINGS FAIRWAY RESORT LTD (IN LIQUIDATION)

1. In this matter IMF (Australia) Ltd is funding the liquidator of Meadow Springs Fairway Resort Ltd (In Liquidation) and a number of shareholders of that company in claims against valuers for about \$10 million.
2. On 2 February 2007 Hillcrest Litigation Services Ltd announced that it was funding a receiver to take control of the action against the valuer from the liquidator.
3. Solicitors acting for the receiver gave notice of change of solicitor and then made application to the Federal Court for delivery up of all the books and records relevant to the litigation.
4. The liquidator made application to the Court that he be permitted to continue with control of the litigation.
5. Orders have now been made by the Federal Court that:
 - (i) the notice of change of solicitors is of no effect; and
 - (ii) the application by the receiver for possession of the books and records be dismissed.
6. This litigation will, accordingly, continue in the hands of the liquidator funded by IMF (Australia) Ltd.
7. Due to the disruption caused by these events the commencement date for the trial has been moved from April 2007 to June 2007.

John Walker
Managing Director