



8 November 2007

Dear Company Members and Parents,

The Annual General Meeting called for Monday night had to be postponed based on legal advice confirmed last Friday.

That same advice was that the interim board may not have been validly appointed.

The interim board then approached the Association of Independent Schools (AIS). They recommended an appointment with their Legal representatives for a meeting on Monday.

At that meeting we were advised that as the former Board had resigned without appointment of new directors, the new interim board was not properly constituted and did not have the power to administer the Company in the vacuum between Boards.

As there were very important decisions needing to be made ie securing finances and negotiating industrial matters all on tight deadlines it was imperative that the school had legal authority to act.

Issues of funding are of paramount concern to the company in finalizing this year and going forward into 2008. We were advised that the appropriate strategy to have immediate effect was to seek the appointment of a provisional liquidator to the company.

Accordingly Mr John R Gibbons of Ernst & Young was appointed late yesterday afternoon. Mr Gibbons' appointment as provisional liquidator effectively means that he is responsible for the day-to-day operations of the school and the powers of the "directors" have been suspended.

Should any member of the company or community have the need to contact the provisional liquidator's office they should direct their enquires to Mr Andrew Sallway, who will be at the school, or via email andrew.sallway@au.ey.com.

The purpose of appointing a provisional liquidator is to maintain the status quo to the extent possible and to report back to the court the prospect of maintaining the

school. This review will take place as a matter of necessity over the course of the next week. The outcome of that review will be significantly impacted by the ability of our unique community to pull together.

It was encouraging to see the results of the parent survey as outlined below.

36 families responding (78enrolments in total)
24 families not respond

18 enrolments undecided
49 enrolments committed
11 will withdraw

Whilst we are aware these past weeks have been very challenging and unsettling the reality is that if we want a school next year we all have to pull together. We have a short window of opportunity to do this.

Yours truly,

A handwritten signature in black ink that reads "Thomas Goodman". The signature is written in a cursive style with a long horizontal line extending to the right.

Thomas Goodman