

24 June 2010

RE: CREDITORS - MURCHISON BUSES LTD (IN LIQUIDATION)

Due to a number of factual errors in a recent media report regarding my involvement as Liquidator with the above Company, I wish to advise as follows.

1. The Liquidation of the Company is ongoing for the reasons as advised in my last report dated 11 March 2010. (Copies of all reports are available on our website www.norrismanagement.co.nz).

As advised, the Directors arranged a refinance package with the Company's secured creditor (ANZ National Bank) over their farm property which released the secured charge over the remaining assets of the Company, being the section / bus yard in Murchison. This land is for sale with the proceeds on sale to be distributed to the remaining creditors (less costs) as per my last report dated 11 March 2010.

The Director Ms Belinda Girle seems unhappy with this proposal and it has been reported that Ms Girle is applying for legal aid to fund an application to remove me as the Liquidator.

2. My efforts in liquidating Murchison Buses Ltd (In Liq.) have been significantly hampered by an acrimonious relationship with Ms Girle since my appointment as Liquidator on 21 August 2009.
3. The Liquidator records 33 unsecured creditors of the Company in Liquidation, with total remaining debts assessed of \$46,300.12.
4. The value of the section has been estimated to realise on sale between \$45 - \$55,000.00 (less costs) which will result in a distribution of proceeds to registered creditors.
5. One issue raised in a media report related to vehicles of the Company.

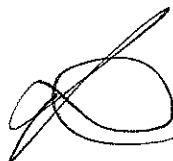
In the interests of transparency I wish to advise the following.

- a. The 20 seater bus formerly in the ownership of the Murchison Buses Ltd, had been on a vehicle sales yard for over 17 months prior to the date of Liquidation and had received little sales enquiry due to its condition. The vehicle at Liquidation was viewed as a liability (not as an asset) of the Company, and the subsequent costs incurred in preparing the vehicle for a potential sale exceeded its established value. As such no benefit could have been achieved for the Company in liquidation and the Company (Nelson Tours and Charters Ltd) to which the bus was subsequently transferred (to which I am a Director and majority shareholder) paid considerably more than the established value.
 - b. The Commodore Station-wagon formerly owned by the Company was collected from the Directors on Liquidation, and underwent reconditioning (panel and paint plus valet) prior to its sale approximately one month later. This sale is recorded in the Liquidation accounts of the Company.
 - c. The remaining bus owned by the Company, was sold above valuation and this has been recorded in the Liquidation accounts of the Company.
6. My final report (once the Liquidation is concluded) will depend on the timing of the sale of land in Murchison. As advised, at this stage it is considered that unsecured creditors will receive distributions (funds) from the sale of the Murchison bus yard.
 7. I have not "quit" any Liquidation cases, however I have recently resigned from three individual receivership's, having been appointed earlier by the secured party, South Canterbury Finance Ltd.

I trust I have answered any concerns that may have arisen as a result of the recent media exposure involving my activities as the Liquidator of this Company.

As a creditor of Murchison Buses Ltd (In Liquidation) you have my assurance to act in your best interests at all times.

Yours faithfully,



Pat Norris - Liquidator
Murchison Buses Ltd (In Liquidation)