

Update to Creditors**Lift Capital Partners Pty Limited and Lift Capital Nominees No. 1 Pty Limited
(Administrators Appointed) ("Lift")****2 September 2008**

We refer to the Second Meeting of Creditors which was held on 16 July 2008. At that meeting, creditors unanimously voted to adjourn the meeting until 15 September 2008 for reasons which included allowing creditors more time to consider the DOCA proposal advanced by Merrill Lynch ("ML") and the directors.

We have recently received a letter from the solicitors for ML by which ML have requested that the administrators seek from the Court an order extending the date for resuming the Second Meeting of Creditors by 2 months.

The solicitors for ML have stated:

"Merrill Lynch is considering whether to make an improved offer subject to creditor releases and can see the benefits that such an offer would bring to all stakeholders. However, Merrill Lynch has not had sufficient opportunity to form a view regarding the terms on which it might be willing to promote an Enhanced DOCA proposal, and requests that the Administrators seek from the Court an extension of 2 months from 15 September 2008 to enable it to conclude its deliberations."

The administrators consulted with the Lift Committee of Creditors at a meeting held on 28 August 2008 regarding this extension proposal. At that meeting, those committee members in attendance unanimously endorsed the administrators pursuing such an extension application.

We consider there are merits in seeking the extension and progressing our negotiations with ML at this stage, and we propose to approach the Court on Thursday 4 September 2008 seeking orders that the adjournment of the Second Meeting of Creditors be continued to 15 November 2008.

If the Court is willing to make an order extending the date by which the Second Meeting of Creditors must be concluded, it may or may not be necessary for the meeting to be resumed on 15 September 2008 to consider an adjournment motion (and if no adjournment is approved, to determine the future of the Lift companies). We will update creditors further in this regard as soon as the Court determines the application.

Should you have any queries in respect of the extension application or other aspects of this administration please do not hesitate to contact one of us or Graham Cope.

Yours faithfully



Tony McGrath
Administrator



Joseph Hayes
Administrator