

2 September 2020

Letter to Shareholders

Dear Sir / Madam

SPITFIRE CORPORATION LTD ACN 602 654 964; SPITFIRE ASSET MANAGEMENT PTY LTD ACN 605 492 635; SPITFIRE MACHINES PTY LTD ACN 623 642 437; SPITFIRE OPERATIONS PTY LTD ACN 163 452 300; (“Spitfire Companies”)(VOLUNTARY ADMINISTRATORS APPOINTED)

I refer to the appointment of Katherine Elizabeth Barnet and I, Damien Hodgkinson, as Joint and Several Administrators of the Companies on 7 August 2020 pursuant to Section 436A of the Corporations Act 2001 (“Act”) and our previous letter dated 11 August 2020.

The purpose of this letter is to provide you with an update on the Administration and inform you of the Administrators’ intention to apply to the Supreme Court of Australia to extend the statutory period for the Administrators to convene the second meeting of creditors of the Companies pursuant to section 439A of the Act (Second Meeting).

1. update on administration

The following key tasks have been completed in respect to the administration to date:

- met with the Spitfire Group and their advisors to understand the recent history of the entities within the Spitfire Group;
 - identified and secure assets of the Spitfire Group including the shares in the subsidiaries which hold the software platforms shareanalysis.com and merlin;
 - collected the Spitfire Group’s electronic books and records and commenced;
 - conducted preliminary investigations into potential voidable transactions and potential actions against the Directors;
 - conducted a preliminary financial analysis on the historical performance of the Group;
 - held the first concurrent meeting of creditors of the Spitfire Group on 19 August 2020;
 - transitioned remaining clients from the Spitfire platforms and preserved the platform assets;
- Deed of Company Arrangement Proposals*
- Liaised with multiple parties and their advisors in respect to the proposed DOCA; and
 - Conducted analysis of a draft proposed DOCA.
- Sale of Assets*
- conducted an expressions of interest program for the Spitfire Group’s assets;
 - corresponded with various interested parties in the expressions of interest campaign;

2. extension of administration convening period

Presently, the convening period for the second meeting in the administration expires on Friday 4 September 2020, the result of which is that the Second Meeting must be held by 11 September 2020 at the latest.

We have received one proposal, which requires additional negotiation, and have been advised that a second deed proposal from an alternate party will be provided this week.

We are also conducting preliminary discussions with potential purchasers of the platform so that the deed proposals can be assessed.

In order to assess the deed proposals and complete the preliminary asset sale options, we intend to seek a court order to extend the convening period for the Second Meeting to 6 October 2020.

The purpose of the extension of the convening period is to:

1. Permit additional time for multiple parties to formulate and submit a proposal for deed of company arrangement (DOCA) proposal in an acceptable form;
2. Facilitate seeking offers for the business and assets of the company; and
3. Allow sufficient time for the Administrators to
 - (a) Consider and form an opinion on any DOCA proposals that may be submitted by parties; and
 - (b) Consider any offers received on the sale interest;
 - (c) Investigate the business, property, affairs and financial circumstances of the Companies for the purposes of assessing the options available to the creditors.

A recent Committee of Inspection meeting was held on 1 September 2020 to discuss the proposed extension application in which resolutions were passed unanimously in favour of the extension.

A further update concerning the outcome of the court application will be provided to shareholders shortly after the outcome.

Any shareholder, or other persons who can demonstrate sufficient interest, or who does not agree with the proposed extension of the convening period, should contact this office immediately via email to spitfire@olveraadvisors.com.

Should you have any questions please contact Rui Wang or Adam Duggan at rui.wang@olveraadvisors.com or adam.duggan@olveraadvisors.com.

Yours faithfully



Damien Hodgkinson
Joint and Several Administrator