

Fresh Edge Limited (In Liquidation)

Liquidators Third Report

18 August 2009

1. Background

Fresh Edge Limited ("the company") was placed into liquidation by special resolution of the shareholders dated the 11th day of August 2008. Kenneth Peter Brown and Thomas Lee Rodewald, Chartered Accountants of Tauranga, were appointed as Joint and Several Liquidators of the company.

We detail below the Liquidators six monthly report, for the information of creditors of the company.

2. Disclaimer

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3. Events leading to appointment of Liquidators

The company commenced trading in 2006 with the view to commercialising a patented treatment process for fresh-cut produce.

The implementation of the technology and time in getting the new products to the market place contributed to the Directors and Shareholders endeavouring source new funding. Unable to do this the company was placed into voluntary liquidation.

4. Conduct of the Liquidation

The Liquidators have reviewed all the available accounting records and statutory information, for completeness and accuracy.

In reviewing the information there was no transactions that were found to be potentially voidable.

It was established that the directors have completed their statutory duties as required by the Companies Act 1993.

5. Debtors

All outstanding debtors that were identified have been contacted and the monies collected. Where accounts were in dispute the Liquidators made a commercial decision as to whether to challenge the claim or not and took the steps necessary to either collect or write-off the debt.

6. Sale of the business assets

As sated in the previous report, Plant & Equipment at the date of liquidation included an item of leased plant from Fresh Appeal Limited which UDC Finance Limited have a registered interest in the leased item through Fresh Appeal Limited. However as Fresh Appeal Limited failed to register a PPSR charge over the leased asset, we have legal advice that the Westpac Bank GSA has priority over that asset.

The other major item of Plant & Equipment is secured by the Westpac Bank, with a Registered General Security Agreement.

After seeking legal advice all assets were considered to be those of the company over which the Westpac Bank had an all encompassing general security. With the approval of the Westpac the Liquidators realised on the assets and the proceeds have been received and paid to the Westpac as the General Security holder.

7. Estimated Date of Completion of Liquidation and Notice As To Further Reports

It is anticipated the liquidation will be completed within the next six months and a final report will be issued at the conclusion of the liquidation

8. Receipts & Payments

Attached at *Appendix 1* are the receipts and payments to 11th August 2009.

9. Further Information

If you require any further information or if you have any information that will be of assistance to the Liquidators please contact Blair Millar at our Tauranga Office.



Thomas Lee Rodewald
Joint Liquidator

Appendix 1

Fresh Edge Limited (In Liquidation)

Receipts and Payments from 11 August 2008 to 11 August 2009

GST exclusive

Receipts

GST on income	37,871.80	
GST refunds	26,459.33	
Debtors	2,975.40	
Interest Received	437.03	
Sale of tangible assets	280,000.00	
Sale of intangible assets	19,000.00	
Sale of stock	1,000.00	
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		367,743.56

Payments

GST on expenses	5,876.25	
GST paid	35,355.56	
RWT on Interest	144.22	
Legal fees	11,735.65	
Liquidators fees	28,547.51	
Valuation	2,105.00	
Repayment to GSA Holder	274,575.56	
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		358,339.75

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Net Funds		\$9,403.81
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Represented By:

National Bank - Trust Account	611.00	
National Bank - Trust Call Account	8,792.81	
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		\$9,403.81
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