

1 December 2025

To the unitholder or creditor as addressed

Keystone Asset Management Limited
(Receivers and Managers Appointed) (In Liquidation)
ACN 612 443 008
(Keystone)

Court application to make interim distribution to unitholders of Shield Master Fund

Keystone, as responsible entity for the Shield Master Fund (ARSN 650 112 057) (**SMF**) proposes to make an interim distribution to unitholders of the SMF (**Interim Distribution Proposal**). Glen Kanevsky and I, in our capacity as joint and several liquidators of Keystone and receivers of the SMF (**Receivers**), have applied to the Federal Court for a direction that we are justified in causing the SMF to make, and that the SMF is justified in making, the interim distribution under the Interim Distribution Proposal.

Copies of the below court documents are available for download from
https://www.alvarezandmarsal.com/am_aus_insolvency/keystone-asset-management-ltd:

- Court orders dated 28 November 2025;
- interlocutory process dated 7 November 2025; and
- redacted affidavit of Jason Tracy affirmed on 7 November 2025 and annexure JMT-14.

The Court has listed a case management hearing for the application at **9.30am on 11 December 2025** at the Federal Court of Australia, Owen Dixon Commonwealth Law Courts Building, 305 William Street, Melbourne, Victoria.

Position of different SMF classes under the Interim Distribution Proposal

The Interim Distribution Proposal involves the sale of a significant proportion of the listed equities owned by Keystone as responsible entity of the SMF, being securities held through a custodian in an account with Bell Potter Securities Limited (the **Bell Potter Securities**).

The five (5) investment classes of the SMF hold differing proportions of Bell Potter Securities relative to each investment class's total assets. The Interim Distribution Proposal will, therefore, involve unitholders in some classes receiving more than unitholders in other classes.

The Advantage Diversified Property Class (**ADPC**) of the SMF does not hold any Bell Potter Securities, which means that unitholders in the ADPC will not receive any distribution under the Interim Distribution Proposal. We consider that the structure of the investment classes within the SMF, and the legal arrangements governing the rights of unitholders in each class, do not permit any alternative to this outcome. We are working to recover other property for distribution to unitholders in the ADPC, but the timing of a future distribution to the ADPC class (if any) is unknown.

Position of Keystone's creditors in Interim Distribution Proposal

The Interim Distribution Proposal seeks to avoid a risk to the prospect of the payment of a dividend to Keystone's creditors in the liquidation of Keystone.

We propose to set aside sufficient assets to pay the claims of non-investor creditors of Keystone who have lodged proofs of debt that we have accepted in our capacity as liquidators of Keystone. Our position in relation to any unitholders or indirect investors who may assert a claim against SMF assets as creditors is outlined below.

Further explanation is provided in the court documents available to download from https://www.alvarezandmarsal.com/am_aus_insolvency/keystone-asset-management-ltd.

Effect of Interim Distribution Proposal on direct and indirect investor's rights

The application to the Court addresses the different interests of persons who invested in the SMF, whether directly as unitholders or as indirect investors in the SMF through membership of financial services offered by institutions such as Macquarie Investment Management Ltd, Equity Trustees Superannuation Limited, The Trust Company (PTAL) Ltd or HSBC Custody Nominees (Australia) Limited (**Financial Service**).

By way of background, investors in the SMF could potentially seek to obtain financial recoveries from the SMF in the form of:

- distributions or other payments from the SMF through mechanisms for distributing funds to unitholders; or
- legal claims against Keystone as creditors seeking compensation for any losses that investors have suffered because of the way that Keystone operated the SMF.

The Receivers are seeking Court authorisation of the Interim Distribution Proposal, which involves a distribution to unitholders in respect of their investment in the SMF (i.e. the first of the two paths described directly above). The Receivers consider that this is the best mechanism to return funds to investors as quickly and efficiently as possible.

A consequence of the Receivers proceeding in this way is that, if some investors later assert compensation claims against Keystone, the making of an interim distribution under the Interim Distribution Proposal could conceivably mean that there are not sufficient remaining assets to pay those compensations claims.

However, the Receivers' view is that it is in the best interests of investors to pursue the Interim Distribution Proposal despite the above potential tension in investors' interests because:

- the Interim Distribution Proposal will result in eligible investors receiving funds from the SMF as soon as possible;
- compensation claims made by investors are more time-consuming and complex and, for technical legal reasons, the property of the SMF (including the Bell Potter Securities) may not be available to pay those claims in any event.

Further explanation is provided in the court documents available to download from https://www.alvarezandmarsal.com/am_aus_insolvency/keystone-asset-management-ltd.

If investors wish to understand more about these matters, they may contact the Receivers at the below email address or seek independent advice. For persons who invested in the SMF through a Financial Service, we suggest that you contact them in relation to your position.

Queries, assistance and further information

We will continue to provide updates regarding the status of the Interim Distribution Proposals to the website maintained for this matter: https://www.alvarezandmarsal.com/am_australia_insolvency/keystone-asset-management-ltd. These updates will include information regarding when application will be heard by the Court, once that is known.

Should you have any queries or require any assistance or further information, please contact us by email to shieldinvestors@alvarezandmarsal.com.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Jason Tracy', with a stylized, flowing script.

Jason Tracy

Joint and Several Liquidator and Joint and Several Receiver and Manager