

20 April 2009

Dear Investor

Bridgecorp Limited (In Receivership & In Liquidation)
BFSL 2007 Limited (In Receivership)
BNL 2007 Limited (In Receivership)
B2B Brokers Limited (In Receivership)
Monice Properties Limited (In Receivership)
Bridgecorp Capital Limited (In Receivership);
together "Bridgecorp"

PricewaterhouseCoopers
PricewaterhouseCoopers Tower
188 Quay Street
Level 22 Reception
Level 8 Mail Centre
Private Bag 92162
Auckland
New Zealand
Telephone +64 9 355 8800
Facsimile +64 9 355 8013
www.pwc.com/nz/bridgecorp

1. Introduction

Our last quarterly report to secured debenture investors was dated 22 December 2008. We take this opportunity to provide you with a further update on the progress of the receiverships and our investigations into events leading up to the receivership of Bridgecorp.

2. Returns to Secured Debenture Investors

In our previous update, we advised that we anticipated being in a better position to provide an updated estimate of the timing and quantum of returns to investors. Unfortunately, due to ongoing delays in the realisation of material overseas assets, over which Bridgecorp has no direct control, we are unable to provide at this time a reliable estimate of the timing or total quantum of likely returns to investors. Excluding any recoveries from overseas assets and ongoing legal matters regarding insurance and the actions of directors/other parties prior to receivership, we regret to advise that the return to secured debenture investors from other recoveries is likely to be less than ten cents in the dollar. We set out below further detail on the progress of all recovery actions.

Overseas Loan Assets

In our prior update, we noted that the majority of remaining material recoveries from Bridgecorp's assets were dependent upon a small number of high value loans over properties located in Australia and Fiji.

- As previously noted, Bridgecorp's largest loan and receivables asset is dependent upon the outcome of the Momi Resort development in Fiji. Despite ongoing considerable efforts to progress the development and maximise returns for Bridgecorp, again as a subordinated lender, it remains difficult to assess with any degree of certainty the ultimate recoveries in respect of the Momi Resort. Recent political developments in Fiji will also impact upon the ability to progress any recovery efforts.
- The Australian loan assets, relating to two large hotels, were subject to a receivers' sale by a prior ranking mortgagee, with one sale scheduled to settle on 31 January 2009 expected to enable full repayment of the first mortgagee (owed in excess of NZD30m) with a small recovery to an Australian subsidiary of Bridgecorp via indirect second ranking security. We were advised by representatives of the first mortgagee that due to technical issues in respect of the land title, settlement has been delayed whilst an application is made to resolve the problem. We have not been provided with an updated settlement date and note that ongoing interest on the first mortgage debt is materially eroding the likely return to Bridgecorp from the sale. A sale agreement for the second hotel has not yet been achieved.

New Zealand Loan Assets

We continue to analyse all remaining loans on an individual basis to determine the most appropriate strategy for maximising realisations, utilising specialist property consultants, legal advisors and valuers to assist in assessing the options available, including the pursuit of guarantors.

Other

Potential returns are being sought in respect of actions taken against directors and other third parties, including possible claims on various insurance policies held by Bridgecorp.

3. Investigations

We continue to actively pursue a number of potential actions against certain of Bridgecorp's directors and other parties in respect of their conduct prior to receivership, and we are working with legal counsel and various Government Authorities to co-ordinate action in this regard.

We continue to work with the Official Assignee to determine the extent of further claims to be made in the bankruptcy of Mr Petricevic, and to identify any further potential assets. Legal action regarding a vehicle driven by Mr Petricevic has now been successfully resolved with Bridgecorp's legal costs now reimbursed, and the surplus proceeds held by the Official Assignee as an asset of the bankruptcy.

We note that criminal proceedings have also been brought against all of three other Bridgecorp directors, in addition to those previously laid against Mr Petricevic and Robert Roest. The Court hearings for these proceedings continue to progress, with the next hearing set down for 21 April 2009.

4. Concluding Remarks

We regret that, due to Bridgecorp's subordinated position in most instances, we are unable to exercise direct control over realisation processes and, as a result, cannot provide certainty regarding the likely timing and quantum of returns to secured debenture investors. We continue to vigorously pursue such recoveries and ensure that the interests of Bridgecorp's investors are protected as much as is possible. A further formal update will be made for the quarter ending 30 June 2009. In the interim, should you wish to contact us with regard to the receiverships, please do so via our website, telephone, facsimile, or private bag address, as follows:

Bridgecorp Limited (In Receivership)
c/- PricewaterhouseCoopers
Private Bag 92-162
AUCKLAND
Telephone: +64 9 355 8800
Facsimile: +64 9 355 8013
Website: www.pwc.com/nz/Bridgecorp.

A list of frequently asked questions is also available on our website. Once again we thank you for your ongoing support and patience through this difficult process.

Yours faithfully



Colin McCloy
Receiver



Maurice Noone
Receiver