

Orchard Trust swap offer

TIMBERCORP Orchard Trust debenture holders will be offered the chance to swap their investment for shares in a newly formed company that promises to work closely with receiver Price-waterhouseCoopers to ensure their interests are represented.

Hamilton Securities, which was founded in October and has been listed on the Newcastle-based National Stock Exchange of Australia, will launch an off-market takeover bid for all the debentures of Timbercorp Orchard Trust, which went into receivership in October.

The debenture holders will be offered 30 A class shares in Hamilton for each debenture, which is based on the debentures' last sale price of \$30 and the \$1 at which Hamilton's shares were recently issued.

The debentures, which are supposed to pay quarterly interest of 7.36 per cent per annum but have not paid anything since March, are due for repayment next December at \$100 each.

However, at this stage of the receivership there is no indication that the debenture holders will be repaid in full.

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