

4 July 2006

**THIRD REPORT OF THE LIQUIDATORS
TO THE CREDITORS AND MEMBERS OF
NEW ZEALAND EXPRESS TRANSPORT LIMITED
(In Liquidation) (“the company”)**

INTRODUCTION

New Zealand Express Transport Limited (in liquidation) (“the company”) was placed in liquidation on 6 May 2005 by a special resolution of shareholders pursuant to Section 241(2)(a) of the Companies Act 1993 (“the Act”). Kevin David Pitfield and Gareth Russel Hoole were appointed joint and several liquidators of the company at that time.

RESTRICTIONS

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The liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light of any information existing at the date of this report which becomes known to the liquidators after that date.

EVENTS SINCE OUR LAST REPORT

This report should be read in conjunction with the liquidators’ first and second reports to the creditors and members of the company dated 12 May 2005 and 18 January 2006 respectively.

Since the second report referred to above, the liquidators have conducted the liquidation in accordance with their statutory obligations.

Assets of the Company

The liquidators are continuing to investigate alleged inventory losses claimed by certain former customers of the company who are seeking to exercise set-off claims against amounts owed by them to the company in respect of services provided by the company prior to and during its liquidation.

FURTHER PROPOSALS FOR THE COMPLETION OF THE LIQUIDATION

The liquidators will be in a position to bring the liquidation to a conclusion and seek the removal of the company from the New Zealand register once the debtor recovery/set-off and corresponding insurance loss quantification exercise has been completed.

The liquidators are unable to advise upon the likely quantum of funds available to unsecured creditors until such time as these matters have been resolved.

Subject to satisfactory resolution without need to resort to litigation, the liquidators tentatively estimate that this liquidation will be completed by December 2006.

Should you have any queries regarding the liquidation of the company, please do not hesitate to contact William Rowley of this office on 09 309 0463.



Kevin David Pitfield
JOINT LIQUIDATOR



Gareth Russel Hoole
JOINT LIQUIDATOR