BAYSIDE INVEST LIMITED
(the Borrower)

REPORT TO THE TRUSTEE – QUARTER ENDED 30th September 2024

Pursuant to the provisions of the Corporations Act and the Debenture Trust Deed dated 18th December 2023, we herewith provide our report for the quarter ended ***30th September 2024*** in relation to BAYSIDE INVEST LIMITED**.**

Report pursuant to Section 283BF of the Corporations Act.

a) The Borrower confirms that there has been no failure by the Borrower or any guarantor to comply with the terms of the secured notes or the provisions of the Trust Deed or Chapter 2L of the Corporations Act during the quarter.
[Sec 283BF4(4)(a)]

b) The Borrower confirms that the Borrower has had no events during the quarter that have caused or could cause one or more of the following:

(i) any amount deposited or lent under the secured notes to become immediately payable;
(ii) the secured notes to become immediately enforceable;
(iii) any other right or remedy under the terms of the secured note or provisions of the Trust Deed to become immediately enforceable.
[Sec 283BF(4)(b)]

c) The Borrower confirms that the Borrower has not had any circumstances that have occurred during the quarter that materially prejudice:

(i) the Borrower, any of its subsidiaries, or any of the guarantors; or
(ii) any security or charge included in or created by the secured notes or the Trust Deed.
[Sec283BF(4)(c)]

d) The Borrower confirms that the Borrower, its subsidiaries and guarantors have not had any substantial change in the nature of their business during the quarter.
[Sec 283BF(4)(d)]

e) The Borrower confirms that the Borrower remains focused on its principal activities of lending money on the security of registered mortgages of titles of land, farming operations, viable commercial activities and of home ownership.
[Clause 10 of Trust Deed]

f) The Borrower confirms that none of the following has happened to the Borrower during the quarter:
(i) the appointment of a guarantor;
(ii) the cessation of liability of a guarantor body for the payment of the whole or part of the money for which it was liable under the guarantee;
(iii) a change in name of a guarantor.
[Sec 283BF(4)(e)]

g) The Borrower confirms that the Borrower has not created a new charge during the quarter.
[Sec 283BE, Clause 11.02]

h) The Borrower confirms that the Borrower has no amounts outstanding on any advances at the end of the quarter from a charge created where:
   (i) the total amount to be advanced on the security of the charge is indeterminate; and
   (ii) the advances are merged in a current account with bankers, trade creditors or anyone else.
   [Sec 283BF(4)(f) and Sec 283BE]

i) The Borrower confirms that the Borrower has not experienced any matters that may materially prejudice any security or the interest of secured note holders.
   [Sec 283BF(4)(g)]

j) The Borrower confirms that during the quarter the following amounts have been deposited with or lent to a related body corporate: **NIL**

(Company A)	A.C.N. (number)	$
(Company B)	A.C.N. (number)	$
(Company C)	A.C.N. (number)	$

[Sec 283BF(5)(a)]

k) The Borrower confirms that the total amount of money owing to the Borrower at the end of the above quarter in respect of the deposits or loans to related body corporate are as follows: **NIL**

(Company A)	A.C.N. (number)	$
(Company B)	A.C.N. (number)	$
(Company C)	A.C.N. (number)	$

[Sec 283BF(5)(b)]

l) The Borrower confirms that the Borrower has not assumed any liability for a related body corporate during the quarter. If a liability is assumed for the quarter please provide details of the extent of the liability during the quarter and the extent of the liability at the end of the quarter.
   [Sec 283BF(6)]

m) The Borrower confirms that the Borrower has issued the following securities:

	This Quarter $	**Total $**
Value of Securities issued	$4,700,002.57(net)	$4,700,205.52
Value of Securities maturing within 12 months	-	$4,700,205.52
Value of Securities maturing beyond 12 months	-	$0.00
Value of New Securities issued this quarter (including interest entries)	$4,778,550.50	
Value of Outgoing Securities this quarter (including interest entries)	($78,547.93)	

[Clause 10.06(a)]

n) The Borrower confirms that the Borrower continues to meet the minimum requirements of the Borrowing Limitations. The Company complies with Clause 9.01 of the Trust Deed by having Total External Liabilities less than 97% of Tangible Assets as at the 30th September 2024
[Clause 9.01, 9.04 & 10.07(b)(i)]

o) The Borrower confirms that the Trust Deed:
   i) covenants;
   ii) representations; and
   iii) warranties

   are in full force and effect and have been complied with at all times.

p) The Borrower confirms that the Borrower has lent all monies within the permitted lending policies determined under the Security and Risk Assessment section in the Prospectus.
[Prospectus Section 7.8]

q) The Borrower confirms that the Borrower has provided to the Trustee, a copy of all:
   i) reports;
   ii) accounts;
   iii) notices; and
   iv) circulars

   sent by the Borrower or any Directors to its members, secured note holders or ASIC at the same time that it has sent the same.
[Clause 7.08(i)]

r) The Borrower confirms that the Borrower has complied at all times with the requirements of Chapter 6CA (dealing with continuous disclosure) of the Corporations Act 2001 and no circumstances arose during the quarter that required the Borrower to issue a supplementary prospectus, replacement prospectus or issue a continuous disclosure notice.

s) The Borrower confirms that the Borrower has not exceeded the LVR of any loan as published in the current Prospectus or, if not published, in the abovementioned Debenture Trust Deed.

t) The Borrower confirms that the Borrower has provided to the Trustee a Six Monthly Report of the Auditor within the specified timeframe.
[Clause 10.05]

u) The Borrower confirms that the Borrower has made all interest and principal payments to secured note holders when they fell due.
[Clause 10.06(a)]

v) The Borrower confirms that the Borrower and its subsidiaries have not sustained any material trading or capital loss, trading as a group.
[Clause 10.07(b)(vii)]

w) The Borrower confirms that the Borrower or any Guarantor has not incurred any contingent liabilities.
If contingent liabilities have been incurred:
   - The amount is $ **NOT APPLICABLE**
   - A liability of $ has matured, or is likely to mature within the succeeding twelve (12) months which will materially affect the Borrower and any Guarantor in its or their ability to repay stock.

[Clause 10.07(b)(viii)]

x) The Borrower confirms that there has been no change in any accounting method or methods of valuation or assets or liabilities and no circumstances have arisen, which render adherence to the existing method of valuation of assets or liabilities, misleading or inappropriate. **[If there are any changes provide particulars.]**
[Clause 10.07(b)(ix)]

y) The Borrowers confirm that in the opinion of the Directors the Current Assets of the Borrower and its subsidiaries, appear in the relevant books at values which are realisable in the ordinary course of business.
[Clause 10.07(b)(x)]

z) The Borrowers confirm that the Directors are not aware of any material changes in the laws of any place which might affect the enforceability of Guarantees and Charges given to or in favour of the Trustee.
[Clause 10.07(b)(xi)]

aa) The Borrower confirms that the Borrower has maintained such insurance with a reputable insurer as would be effected by a prudent company engaged in a similar business and has at all times ensured the premiums and other sums have been paid when they fall due.
[Clause 10.08]

bb) The Borrower confirms that the Borrower has ensured that the funds have been invested in accordance of Clause 11 and that there have been no breaches of restrictions or limitations contained therein. The Companies Total External Liabilities (TEL) are UNDER 93% of Total Tangible Assets (TTA) as at the 30th September 2024. As a result, the limitations of what the Company can invest in listed in the Trust Deed under Cl 11.02(a)-(c) when TEL/TTA are not applicable as at this date.
[Clause 12]

cc) The Borrower confirms that the Borrower has not entered into any joint first mortgages without first notifying the Trustee
[Clause 12.03]

dd) The Borrower confirms that the Borrower has had no Events of Default.
[Clause 12]

ee) The Borrower confirms that it complied with each condition of its Australian Financial Services Licence 545290 during the quarter.

ff) The borrower confirms that it has an adequate Anti-Money Laundering (AML) Program in place and that is has acted in accordance with this and the AML/CTF Act 2016 during the quarter.

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ASIC Regulatory Guide 69: Debentures – improving disclosure for retail investors

gg) The Borrower confirms that it has made all necessary disclosures against the benchmarks in its disclosure documents and all disclosures remain true and correct.

No material events have occurred that have changed the original disclosures made in our Prospectus dated 23rd January 2024.

hh) The Borrower confirms that it continues to meet all benchmarks that the Borrower has stated in disclosure documents that it meets.

Refer to annexure A

ii) The Borrower confirms that where the Borrower has disclosed that it does not meet the benchmarks on an "if not, why not" basis, the disclosure the Borrower has made continues to be correct and accurate in all material respects and is not misleading.

jj) The Borrower confirms that hereunder details the "promises" (as referred to, for instance, in RG69.118) it has made in disclosure documents it has issued and confirms that it has complied with each of the promises it has made in those disclosure documents:

The disclosure document of the borrower does not make "promises". The disclosure dated 23rd January 2024 makes factual statements and remains unchanged as at the date of this declaration.

kk) The Borrower confirms that its use of the term "Secured Notes" rather than "Ünsecured Notes" is in accordance with the requirements so specified in the above ASIC Class Order and further confirms that the Secured Notes are first ranking.

Annexure "A" provides disclosure as to whether or not the Borrower has met each of the benchmarks outlined in ASIC Regulatory Guide 69: Debentures – improving disclosure for retail investors.

Annexure "B" provides disclosure of the investment portfolio.

On the basis of the above, the directors declare that they are of the view that the financial position and performance of the Borrower is such that the property of the Borrower (and of each guarantor, if relevant) that is or should be available will be sufficient to repay the amount of each Secured note when it becomes due and payable.

This declaration has been made in accordance
with a resolution of directors on the 25th October 2024

……………………………………………	…………………………………………
Director JOHN BRIAN GORMAN (Signature)	Director: ROSS ANTHONY MULQUINEY (Signature)

Annexure “A”
ASIC Regulatory Guide 69: Debentures – improving disclosure for retail investors
Disclosure against Benchmarks

Please note that the quarterly figures used in this report are unaudited.
Please disclose whether the Borrower met each of the benchmarks outlined in ASIC’s Regulatory Guide 69: Debentures (called Secured Notes)– improving disclosure for retail investors during the quarter. Where the Borrower did not meet a benchmark during the quarter, please explain why that is.
The Company refers you to our current Prospectus dated 23rd January 2024 for more detailed information on the 8 benchmarks and what they are. The information below provides updated disclosures on the benchmark and whether the Company currently meets the benchmarks or not.

1. Benchmark One – Equity capital

The ASIC benchmark is that Note issuers with lending under 10% for property development, are to maintain a minimum equity ratio of 8%. The ASIC benchmark is that Note issuers with lending above 10% for property development, are to maintain a minimum equity ratio of 20%.

The Company **DOES** comply with ASIC’s benchmark with regards to Equity.

As at the 30th September 2024 (see table below in this section) the Company has no loans which are classified as Property Development and therefore 8% equity is the benchmark.

The Companies Equity Capital % as at the 30th September 2024 was 10.74%

The Company’s recent Equity Capital percentages and amounts are as follows:

	RG69 benchmark applicable (i.e. 8% or 20%)	Property development / notes on issue %	Current quarter end	12 months prior	Previous quarter end
Equity ratio %	8%	0.00%	10.74%	97.40%	96.15%
Equity capital $			566,507	175,300	512,616

The Company believes that as its principal activity is to lend funds to borrowers on the security of real property, and that the average Loan to Valuation Ratio (LVR) of its Loan Portfolio is 63.64% (see Benchmark 8 disclosure on page 8 regarding this % and how it’s calculated), that the current equity level is adequate for the nature of its business. The Company will endeavour, with prudent management, to maintain its Equity to meet the benchmark of 8%, which, taking into account its loan portfolio diversity and liquidity levels, the Company consider responsible.

2. Benchmark Two – Liquidity

The ASIC benchmark is that Note issuers at all times must have on hand cash or cash equivalents sufficient to meet their projected needs over the next 3 months.

The Company **DOES** comply with ASIC’s benchmark with regards to Liquidity.

The Company has a policy in place of maintain a minimum 10% liquidity (expressed as a Cash or cash equivalents over Notes Held.

The Companies relevant liquidity data as at the 30th September 2024 is as follows:

	Liquidity $	Liquidity % (over total notes)	Minimum liquidity Issuer maintains %	Current rollover rate %
Liquidity	483,363	10.28%	10%	NA

The Company also notes that it now has zero funds on 31 days' notice as at the 30th September 2024

The Company would have cash on hand or cash equivalents sufficient to meet its projected cash needs if the percentage of note funds to be rolled over during the next three months were 20% less than the percentage that were rolled over in the past three months; or for note funds that are held on an 'at call 'basis, the amount of note funds retained during the next three months were 20% less than the amount that was retained during the past three months.

3. Benchmark Three – Rollovers

ASIC's benchmark is that Note issuers disclose their approach to rollovers, including whether the 'default' is that Note investments with them are automatically rolled over.

The Company **DOES** comply with ASIC's benchmark with regards to Rollovers.

As at the 30th September 2024 the Company has not reached the maturity date on any of it's Note investments to gauge rollover rates.

The Company's policy is that approximately two weeks prior to the maturity date of a 'Fixed Term' Investment, the Company will notify the Note holder in writing, of the rates and terms upon which funds may be reinvested for a further period. This prematurity letter also states that the Company's current Prospectus document, together with any relevant ongoing disclosure documents, will be available from the Company website at www.baysideinvest.com.au. Investors who do not have access to the website can receive copies of these ongoing disclosure documents in hard copy, free of charge, by contacting the Companies registered office directly.

If written instructions are not received for a renewal of Notes by the Company, the notes shall be reinvested for a similar term at the current rate of interest payable at the time applicable to that term.

4. Benchmark Four – Debt Maturity

ASIC's benchmark is that issuers should disclose:

a) An analysis of maturity profile of interest bearing liabilities (including notes on issue) by term and value; and
b) The interest rates, or average interest rates, applicable to their debts.

The Company **DOES** comply with ASIC's benchmark with regards to Debt Maturity.

Term to Maturity	Total # (number)	Total $	Total %
31 day notice	-	-	0.00%
Less than 90 days (0-3 months)	-	-	0.00%
			0.00%
90 to 364 days (3 - 12 months)	3	4,700,206	100.00%
1 to 3 years	-	-	0.00%
3 to 5 years			0.00%
greater than 5 years			0.00%
Total	**3**	**4,700,206**	**100%**

As at the 30th September 2024 the Average Interest rate payable to the Secured Notes was 10%

5. Benchmark Five – Loan portfolio

ASIC's benchmark requires Note issuers to disclose certain specific information concerning the current loan portfolio and their policies in relation to these matters.

The Company **DOES** comply with ASIC's benchmark with regards to Loan Portfolio.

Our loan portfolio, as at the 30th September 2024 includes:

(a) 1 loan totalling $4,700,000.00
(b) Our mortgage documents provide for our loans to be called on 30 days'notice. The majority of our loans are rolled over on a 3-year term.
(c) The average interest rates payable by borrowers as at the 30th September 2024 was 12%
(d) Mortgage loans by Security type and Geographic Loan location – see Annexure B below.
(e) Loan in arrears by more than 30 days – see Annexure B – part 5 below
(f) All lending is secured by Registered first mortgage over land or secured against a Fixed Term Secured note with our Company
(g) The value of the largest 10 loans of the Company as at the 30th September 2024 totalled $4,700,000.00 (one loan)
(h) As at the 30th September 2024 no loans were subject to legal proceedings.

6. Benchmark Six – Related party transactions

The Company DOES comply with ASIC's benchmark with regards to Related Party Transactions.

The Company notes that it has a policy that it does not make loans to the Directors, Secretaries or Ordinary Shareholders of the Company. Any loans made by the Company to staff members are made on ordinary terms as to loan to valuation ratio and security and are not subject to approval of the Trustee.

As at the 30th September 2024 there are no loans to related parties.

7. Benchmark Seven – Valuations

ASIC's benchmark is that Note issuers who lend monies for property related transactions, should take the following approach to valuations;

a) Properties (ie real estate) should be valued on an 'as is' basis and (for development property) 'as if complete basis;
b) Development properties should be re-valued at least every 12 months unless the funds are retained by the issuer and only released in stages to cover project completion costs;
c) Issuers should have a clear policy on how often they obtain valuations including how recent a valuation has to be when they make a new loan;
d) Issuers should establish a panel of valuers and ensure that no one valuer conducts more than one third of the issuers valuation work; and
e) Appointment of Valuers should be with the Trustee's consent.

The Company **DOES** comply with ASIC's benchmark with regards to Valuations

The Company complies with (a),(b), (c), (d) and (e)

With regards to (d) the Company has established a panel of valuers, however, the Company will generally instruct a valuer local to the area in which the secured property is located, thus utilising the valuer's local knowledge and expertise. At this stage the Company satisfies the requirement of no one valuer conducting more than one third of the valuations, but this may not necessarily be the case in the future.

8. Benchmark Eight – Lending principles – loan-to-valuation ratios

ASIC's benchmark is that Note issuers who lend funds in relation to property-related activities should maintain the following maximum loan to valuation ratios: Where the loan relates to property development, 70% on the basis of the latest "as if complete" valuation; and in all other cases 80% on the basis of the latest market valuation.

The Company **DOES** comply with ASIC's benchmark with regards to Loan to Valuation ratios.

Loans made by the Company are made at a maximum loan to valuation ratio of 80%. A loan to valuation ratio is defined as the % of loan in relation to the value of the property. Ie. A loan for $80,000.00 against a secured property valued at $100,000.00 would have a LVR of 80%.

All lending for property development is made on a progressive value basis with valuations or quantity surveyor reports obtained at various stages of the development. Where the loan relates to property development, 70% on the basis of the latest "as if complete" valuation; and in all other cases 80% on the basis of the latest market valuation or "as is" value.

Annexure "B"

Investment Portfolio of
BAYSIDE INVEST LIMITED
Quarter End **30th September 2024**

1. The Balance Sheet of the Company is as follows:-

	30th June 2024	30th September 2024
Current Assets		
Cash and Cash Equivalents	531,038.49	483,362.74
Other authorised investments - non-ADI deposits		
Secured lending (excluding property development)	0.00	
Property development loans advanced	0.00	
Less: specific provisions against loan advances (negative)		
Receivables - Loans and Investments	780.66	41,475.97
Other current assets (including collective impairment provision (negative)	1,297.13	47,838.72
Non Current Assets		
Secured lending (excluding property development)		4,700,000.00
Property development loans advanced		
Less: provision against loan advances (negative)		
Investment property		
Intangible assets		
Property, Plant & Equipment	0.00	
Total assets	$533,116.28	5,272,677.43
Current Liabilities		
31 day notice	0.00	
Notes on issue	202.95	4,700,205.52
Other liabilities	20,051.59	5,964.54
Non Current Liabilities		
Notes on issue	0.00	
Other liabilities		
Total liabilities	$20,254.54	4,706,170.06
Equity		
Share capital	780,001.00	780,001.00
Retained earnings	-267,384.85	-213,493.63
Reserves	0.00	
Total equity	**$512,616.15**	**566,507.37**

2. The Lending portfolio as at this quarter end is as follows:-

Number of loans	1
Average loan size	$4,700,000
Number of loans that comprise more than 10% of the Principal Moneys to any one party or associated party.	1
Value of loans that comprise more than 10% of the Principal Moneys to any one party or associated party.	$4,700,000
Longest term to loan maturity	12 months
Average term to loan maturity	12 months
Average interest rate charged to Borrowers	12.00
Average loan to value ratio	63.64
Average Rate of Return	2.35

3. Total Loan Portfolio by Security Type as at the 30th September 2024 is as follows:-

Loan portfolio by security type	Total # (number)	Total $	% of loan portfolio
Industrial	-	-	0%
Commercial	1	4,700,000	100%
Development	-	-	0%
Rural	-	-	0%
Sub-divisional land / development			0%
Specialised Accommodation - Hotel/Motel			0%
Residential			0%
Other	-	-	0%
Total	**1**	**4,700,000**	**100%**

4. Total secured property by State/Territory as at the 30th September 2024 is as follows:-

	Loan portfolio			Secured property	
Loan portfolio by security location	Total # (number)	Total $	% of loan portfolio	Total $	% of loan portfolio
NSW	1	4,700,000	100%	7,385,714	100%
QLD			0%		0%
VIC	-	-	0%	-	0%
WA			0%		0%
SA			0%		0%
TAS			0%		0%
ACT			0%		0%
NT			0%		0%
Total	**1**	**4,700,000**	**100%**	**7,385,714**	**100%**

5. Level of Arrears for the Loan Portfolio as at 30th September 2024

The Companies one loan is not in arrears.

6. Financial Ratios

Ratio	This Quarter End	Previous Quarter End
Working capital (times)	**1.12**	**26.31**
Debt to Equity Ratio (times)	**8.31**	**.04**
Interest cover (Interest revenue over interest expense) (times)	**1.68**	**-21,428.09**
The amount Total Tangible Assets exceeds Total External Liabilities (Clause 8)	**525,031**	**511,099**
The amount Total Tangible Assets exceeds Total External Liabilities as a percent. (Clause 8)	**11.16%**	**2,527.38%**