

3 November 2021

**Gunyang Ski Lodge Limited
Chairman's Report - November 2021**

Twelve months ago the world was faced with great uncertainty about the lasting impact of the COVID-19 pandemic.

Today we now see light at the end of the tunnel. While Australia continues to be impacted by restrictions and selected lockdowns or lockouts the continued rollout of the vaccine opens us up to the possibility that next year we will finally see lasting relief.

The 2020 winter season was impacted by bushfires and the pandemic and the 2021 winter season was severely affected by the pandemic and lockdowns.

We will of course comply with Government health requirements as they change. We will communicate with you when changes are announced by the Government affecting accommodation at Gunyang.

As we did last year the Board took every opportunity to keep expenses as low as possible which we will continue to do moving forward.

A review of the operations of Gunyang during the financial year showed that Gunyang continued to engage in its principal activity, namely providing accommodation for you in Thredbo. To maintain social distancing requirements Gunyang was available for single family, whole lodge, bookings for the majority of the financial year to 30 June, 2021. On 29 June, 2021 Gunyang was again closed due to COVID-19 regulations.

Given the uncertainty associated with COVID-19 the annual subscription increased to \$550 including GST which assisted with the financial position of the company to cover any unforeseen operational or financial issues.

We also entered into an agreement with Kosciuszko Thredbo Pty Limited to allow Gunyang to accommodate 12 people in the lodge in line with the fire regulations. These additional two bed entitlements were acquired for \$145,000 payable over a three year period. Importantly, this removes the mismatch between the number of people who can stay at Gunyang (previously 10 people under the sub-lease that has now increased to 12 people) and the fire regulations (12 people). It also reduces any potential liability for the company.

The net deficit of the company for the financial year to 30 June 2021 amounted to \$5,673. The deficit for the previous year was \$34,010. The majority of bookings during the 2021 winter season were refunded in full which will impact the statement of the financial position for the year ended 30 June, 2022. Having said that there has been no matters or circumstances which have arisen since the end of the financial year which significantly affect the operations of Gunyang.

This year we said "thank you" and "farewell" to Kerrie Newham, Kestine Kenny, Matthew Waters, Stuart Roberts and Helen Roberts as directors of the company, Lucy Davis, our company secretary and also Meredyth Conn our bookkeeper. We thank them for their time and expertise they gave to Gunyang.

The face of Gunyang is our booking officer, Lisa Telfer (Reeve). On your behalf we say "thank you" to Lisa.

We welcomed Alex McTaggart, Graham Gibson and Michael McCormack as directors during the financial year and Garry Adams who has volunteered to be the Company Secretary following Lucy's resignation.

Because of the COVID-19 regulations the AGM this year will be conducted by Zoom, audio visual, the same as we did last year. I encourage you to attend the AGM remotely and to participate.

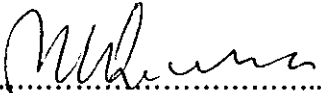
On your behalf I would like to thank the Board who voluntarily gave their time and expertise to make Gunyang the best it could be, namely Mark Lumby, Bruce Foye, Graham Gibson, Alex McTaggart, David Reeve, Michael McCormack, Kestine Kenny, Matthew Waters, Stuart Roberts, Helen Roberts, Kerrie Newham and Garry Adams.

We are seeking nominations for an additional director in addition to the three directors standing down and offering themselves to be re-elected. If you would like to be considered, please complete the nomination form and return it to the company secretary as set out on the form.

Until the pandemic goes away keep well. We look forward to better times and skiing or boarding once again.

Particulars of how to join the Zoom meeting is set out in the attached Notice of Meeting.

Kind regards,


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JOHN QUINN, Chairman