



Statutory report to creditors
Tropical Metals Pty Ltd (In Liquidation)
ACN 061 766 265
("the Company")

I refer to the initial notice to creditors dated 18 December 2018 in which I advised you of my appointment as Liquidator and your rights as a creditor in the liquidation.

The purpose of this report is to:

- provide you with an update on the progress of the liquidation
- advise you of the likelihood of a dividend being paid in the liquidation

I will also be requesting that you consider my detailed remuneration report and pass a proposal to approve my remuneration.

1. Update on the progress of the liquidation

1.1 Assets and liabilities

The director completed a Report On Company Activities And Property (ROCAP) on 12 December 2018. I have been provided with the Company's physical books and records and access to MYOB accounting software and records hosted in the cloud. I will continue to maintain this access at c.\$100 per month until investigations are finalised.

My knowledge of the Company is limited to information provided by:

- the director
- the former financial controller
- physical books and records
- enquires from creditors
- statutory bodies
- third parties.

PricewaterhouseCoopers, ABN 52 780 433 757
480 Queen Street, BRISBANE QLD 4000,
GPO Box 150, BRISBANE QLD 4001
T: +61 7 3257 5000, F: +61 7 3257 5999, www.pwc.com.au

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Description	Notes	Director's ROCAP		Liquidators' estimate
		Book value	Estimated value	
Assets:				
Interest in land	(i)	nil	nil	withheld
Sundry debtors	(ii)	nil	nil	nil
Cash at bank	(iii)	19.91	19.91	nil
Plant, equipment and motor vehicles	(iv)	nil	nil	nil
Stock	(v)	nil	nil	nil
Director loans	(vi)	nil	nil	nil
Other	(vii)	769,773.00	769,773.00	nil likely
Total known Assets		769,792.91	769,792.91	withheld
Liabilities				
Secured creditors	(viii)	nil	nil	nil
Employee entitlements	(ix)	nil	nil	nil
Unpaid superannuation	(x)	nil	nil	nil
ATO (PAYG)	(xi)	nil	nil	nil
Trade and other creditors	(xii)	nil	nil	nil
Related party creditors	(xiii)	(897,893.00)	(897,893.00)	(897,893.00)
Total known Liabilities		(897,893.00)	(897,893.00)	(897,893.00)
Surplus / (Deficiency) (subject to costs of liquidation)		(128,100.09)	(128,100.09)	Material deficiency likely

Notes

(i) Interests in land

The ROCAP did not disclose any interests in land held by the Company. My investigations indicate the Company held mining tenements over State of Queensland (State) owned land. As reported in the initial notice to creditors' dated 18 December 2018, these tenements were disclaimed immediately on appointment because among other things, the Company was without funds to continue to fund the financial obligations of care and maintenance. There was also Environmental Protection Orders (EPOs) issued to the Company for financial and technical breaches of the Company's Environmental Authority. The mine site is currently under the control of the Department of Natural Resources, Mines and Energy (DNRME).

I have received a number of enquiries from parties interested in the mine site and the mining tenements. To advance these enquiries I have:



- advised DNRME of the interest
- applied to the Executive Officer of DNRME on 20 December 2018 for permission to access, amongst other things, the mine site to assess a sale strategy.

I am currently awaiting a formal response from DNRME to my application.

(ii) Sundry debtors

The ROCAP disclosed no outstanding debtors owing to the Company as at the date of my appointment. My enquiries have not revealed any outstanding debtors.

(iii) Cash at bank

The ROCAP disclosed the Company held an account with Westpac Banking Corporation (Westpac) with a credit balance of \$19.91. My enquiries discovered the account listed was held by a related entity, Wolfram Camp Mining Pty Ltd (In Liquidation) (Wolfram). The funds held upon closure of this account were received into the liquidation bank account of Wolfram. No recoveries will be made from this source for the benefit of creditors of the Company.

(iv) Plant, equipment and motor vehicles

The ROCAP disclosed no plant, equipment and motor vehicles owned by the Company as at the date of my appointment. My enquiries subject to appointment have not discovered any information to the contrary.

(v) Stock

The ROCAP disclosed no stock held by the Company as at the date of my appointment. My enquiries subject to appointment have not discovered any information to the contrary.

(vi) Director loans

The ROCAP did not disclose any loans to Directors, and my enquiries have not identified any loans.

(vii) Other

The amount of \$769,773 disclosed in the ROCAP relates to \$2,500 cash or a bond for financial assurance in respect of the Company's environmentally relevant activities which is held by the State, and capitalised explorations costs in relation to an Exploration Permit (EPM 14028).

My investigations indicate the bond is not a realisable asset as the amount vests with the State on the Company's inability or failure to undertake the rehabilitation of the mine site. Further, capitalised costs in relation to EPM 14028 are not a realisable asset in the liquidation. Refer to note (i) above for additional information regarding the Company's mining tenements.

While my investigations are continuing, I have not identified any further assets capable of commercial recovery.



(viii) Secured creditors

A secured creditor is a creditor that holds a security interest over some or all of the Company's assets. To be valid, generally the security interest must be registered on the Personal Property Securities Register (PPSR) or, in the case of land and buildings, at the relevant Land Titles Office.

There were no registrations on the PPSR against the Company as at the date of my appointment.

(ix) Employee entitlements

The ROCAP disclosed no outstanding employee entitlements. My enquiries indicate the Company was not an employing entity, therefore I have not discovered any information to the contrary.

(x) ATO

My investigations indicate there are no amounts outstanding to the Deputy Commissioner of Taxation. Whilst the company was registered for GST from July 2000, the ATO advised no Business Activity Statements were lodged in the last three years. The Company's tax returns provided by the ATO indicate taxation losses in the previous three years.

The ATO has not lodged a proof of debt in respect of any amount owing as at the date of this report.

(xi) Trade and other creditors

I am advised of no trade creditors as at the date of this report.

(xii) Related party creditors

The ROCAP disclosed the following related party creditors:

Related Party Creditors		\$
Wolfram Camp Mining Pty Ltd (In Liquidation)	897,893.00	
Total	897,893.00	

1.3 Receipts and payments

There have been no receipts and payments in this liquidation to date. However there are expenses which have been incurred in the liquidation which are unpaid at the date of this report.

1.4 Department of Environment and Science (DES)

I am continuing to engage with DES regarding a number of matters.



1.4.1 Court proceedings

A proceeding in Court against the company is stayed during the external administration unless it is a criminal or prescribed proceeding. The following Court action involving DES was on foot against the Company as at the date of my appointment:

- a. criminal prosecution in the Mareeba Magistrates Court against Tropical Metals Pty Ltd (In Liquidation) for one charge of breaching an environmental protection order and one charge for a wilful contravention of a condition of an environmental authority
- b. civil proceedings in the Brisbane Planning and Environment Court (no. 4016/18) for restraint orders against the Company concerning the matter of outstanding financial assurance in the amount of \$1,230,676.00.

I engaged a Cairns based lawyer to represent the Company in the criminal proceedings and provide an advice on how to deal with the immediate hearings. My investigations indicate that resourcing this proceeding is not to the benefit of creditors, and I am assessing options to have myself excused from participating in these proceedings.

DES advised they are reserving their rights in respect of the civil proceedings.

1.5 Investigations undertaken

I have undertaken the following investigations:

- Review of the director's ROCAP
- Review of the books and records provided by the director and third parties
- Review of the running balance account provided by the ATO
- Conducted vehicle and property searches
- Conducted searches of statutory bodies
- Investigated the affairs of the Company including an initial review of potential voidable transactions
- Conducted an initial review of the solvency of the Company

1.6 Findings and possible recoveries

1.6.1 Books and records

Section 286 of the Corporations Act 2001 (the Act) requires that a company maintains financial records that correctly record and explain its transactions, financial position, and performance, and which would enable true and fair financial statements to be prepared and audited.

My investigations indicate the company maintained acceptable financial records.

1.6.2 Recovery of preference payments



Section 588FA of the Act provides that a transaction is an unfair preference if, and only if:

- (i) the company and the creditor are parties to the transaction (even if someone else is also a party); and
- (ii) the transaction results in the creditor receiving from the company, in respect of an unsecured debt that the company owes the creditor, more than the creditor would receive from the company in respect of the debt if the transaction were set aside and the creditor were to prove for the debt in the winding up of the company.

Unfair preferences apply to transactions entered into in a period of up to six months leading up to the appointment.

Where a transaction is part of a continuing business relationship, the preference payment claim could be reduced to the difference between the maximum amount payable within the six months leading up to the appointment and the amount payable at appointment (a “running balance” reduction).

Upon my initial review, I have not identified transactions that may constitute preference payments.

1.6.3 Asset sales

I am not aware of any asset sales by the Company which require investigation.

1.6.4 Insolvent trading

Section 588G of the Act provides that the director is obliged to prevent a company from incurring debts whilst insolvent.

Section 588H of the Act outlines defences for directors against insolvent trading claims, including where the Directors had reasonable grounds for suspecting that the Company was solvent.

The Courts have also drawn a distinction between a severe shortage of liquid assets to meet debts (i.e. insolvency) and a temporary lack of liquidity. If Directors reasonably believe that it is certain or probable (rather than more likely than not or possible) that a company can return to paying their debts as and when they fall due, then they could be justified in continuing to trade the company while pursuing that outcome.

Further investigations will be undertaken into whether the Company was insolvent at any time leading up to the appointment of Liquidators, including the Company’s ability to access funding from its shareholder, Almonty Industries Inc. to continue selective activities such as care and maintenance of the mine site. Initial investigations indicate the shareholder decided to cease funding as the Company was unable to resolve operational matters with the Department of Environment and Science, amongst other issues which resulted in the appointment of Liquidators.

I am continuing further investigations in regard to insolvent trading.



1.6.5 Other voidable transactions

My investigations to date have not identified any uncommercial and insolvent transactions or unfair loans made by the Company. My investigations are continuing in this regard.

1.7 Further inquiries to be undertaken

The liquidation currently has no funds, which necessitates structuring the extent and detail of investigations accordingly. The following further investigations will be undertaken subject to the availability of sufficient funds to cover the necessary costs:

- Finalise investigations into the Company's affairs, date of insolvency and voidable transactions.

If creditors wish to fund any detailed investigations they may contact my office directly.

1.8 What happened to the business of the Company?

The director advises the business failed due to declining tungsten prices over a number of years and an inability to satisfactorily address requirements of the Department of Environment and Science in respect of the ongoing operation of the mine.

2. Likelihood of a dividend

The likelihood of a dividend being paid to creditors is affected by a number of factors including:

- the size and complexity of the liquidation
- the amount of assets realisable and the costs of realising those assets
- the statutory priority of certain claims and costs
- the value of various classes of claims including secured, priority and unsecured creditor claims
- the volume of enquiries by creditors and other stakeholders.

At this stage, it is expected that no dividend will be paid to any class of creditor. If this position changes I will advise creditors accordingly.

3. Cost of the liquidation

I am seeking approval of my remuneration for the period 4 December 2018 to 15 February 2019 in the amount of \$10,228.50 (excluding GST) and also approval of my future remuneration from 16 February 2019 to the conclusion of the liquidation initially capped in the amount of \$15,000.00 (excluding GST).

Attached at **Appendix A** is a detailed report on my remuneration, called a Remuneration Approval Report. I am unable to pay any of my remuneration without the approval of creditors or the Court.

I am seeking creditor approval of my remuneration by a proposal without a meeting.



To participate in the proposal, please complete and return the following by no later than 25 March 2019:

- 1 The “proposal without a meeting” form/s are included at **Appendix B**
- 2 The proof of debt form is included at **Appendix C** which provides information about what the company owes you, along with supporting documents for your claim (if not returned previously).

The documents can be scanned and emailed to liam.barnes@pwc.com or returned via post to my office, attention Liam Barnes. If you choose to return these documents via post, please ensure that you allow enough time to receive them by the due date.

An information sheet on “proposals without a meeting” is included at **Appendix D**.

4. What happens next?

I will proceed with the liquidation, including:

- recover any further available property if discovered
- continue to engage with DNRME
- explore a sale of the mine site / mining tenements
- complete my investigations into the Company’s affairs
- pursue voidable transactions if identified
- attend to all statutory lodgements.

If a request for a meeting that complies with the guidelines set out in the initial information provided to you is received, I will hold a meeting of creditors.

I expect to finalise this liquidation within 6 months.

5. What to do next

You should now:

- read the attached Remuneration Approval Report and information
- decide if and how you will vote on the proposal
- complete and return your proposal voting forms by 25 March 2019.

You can access information which may assist you on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at <http://asic.gov.au/regulatory-resources/insolvency/insolvency-information-sheets>



Dated this 27th day of February 2019

A handwritten signature in black ink, appearing to be 'M Owen', written over a horizontal line.

Michael Owen
Liquidator

List of attachments

Appendix A	Remuneration Approval Report
Appendix B	Proposal without a meeting – Remuneration
Appendix C	Proof of debt form
Appendix D	Information sheet about 'Proposals without a meeting'

Date of appointment:	4 December 2018
Contact name:	Liam Barnes
Telephone number:	+61 7 3257 6071
Email:	liam.barnes@pwc.com

***Appendix A–
Remuneration
Approval Report***

Remuneration Approval Report

Tropical Metals Pty Ltd (In Liquidation)

ACN 061 766 265

(the Company)

This remuneration approval report provides you with the information you need to be able to make an informed decision regarding the approval of my remuneration.

You should read this report and the other documentation that I have sent you.

To minimise the costs in this Liquidation I have elected to seek the approval of creditors for my remuneration without a meeting. You can cast your vote by using the included voting forms. These forms then need to be returned to my office by post, scanned and emailed or faxed. I need to receive your forms by 25 March 2019 for your vote to count. If you choose to use post, please allow enough time for your letter to be delivered.

1. Declaration

I, Michael Owen of PwC, have undertaken a proper assessment of this remuneration claim for my appointment as Liquidator of Tropical Metals Pty Ltd (In Liquidation) in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the external administration.

Dated this 27th day of February 2019



Michael Owen
Liquidator

2. Executive summary

To date, no remuneration has been approved and paid on this external administration.

Period	Report Reference	Amount (ex GST)
Current remuneration approval sought:		
Liquidation		
Resolution 1: 4 December 2018 to 15 February 2019	[3]	\$10,228.50
Resolution 2: 16 February 2019 to the conclusion of the liquidation*	[3]	\$15,000.00
	Total	\$25,228.50

* Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the administration. Should additional work be necessary beyond what is contemplated, further approval will be sought from creditors.

The total remuneration for this appointment is estimated to be \$25,228.50 (excluding GST). This is less than my estimate provided in the Initial Remuneration Notice dated 18 December 2018, which estimated total remuneration of \$30,000.00 to \$50,000.00 (excluding GST). Detail regarding the decrease in estimated total remuneration is located in section 3.3.1 of this report.

Please refer to report section references detailed in the above table for full details of the calculation and composition of the remuneration approval sought.

3. Remuneration

3.1 Remuneration claim resolutions

I will be seeking approval of the following resolutions to approve my remuneration. Details to support these resolutions are included in section 3.2 and the attached schedules.

Resolution 1

That the remuneration of the Liquidators is approved for the period 4 December 2018 to 15 February 2019 of \$10,228.50 plus GST as set out in the Remuneration Approval Report dated 27 February 2019 to be drawn from available funds immediately or as funds become available.

Resolution 2

That the remuneration of the Liquidators is approved for the period 16 February 2019 to the conclusion of the liquidation up to a maximum of \$15,000.00 plus GST, as set out in the Remuneration Approval Report dated 27 February 2019 to be drawn from available funds as incurred or as funds become available. This amount may be revised by resolution of creditors or by order of the court.

My future remuneration is an estimate subject to ongoing engagement with the State of Queensland (**the State**). Please refer to section 3.3.1 of this report for further detail.

My future remuneration is approved subject to a maximum or cap. Sometimes the actual cost of the administration will exceed the maximum which has been approved, in which case, I may seek another resolution for additional remuneration. I will not pay any amount exceeding the maximum without this approval.

Where funds are available, I will usually pay approved remuneration at intervals not less than one month.

3.2 Details of remuneration

The basis of calculating the remuneration claims are summarised in Schedule A1 and A2 of **Annexure A**.

The details of the major tasks performed and the costs associated with each of those major tasks are contained in Schedules B1 and B2 of **Annexure B**.

3.3 Total remuneration reconciliation

My total estimated remuneration is less than the estimate provided in the Initial Remuneration Notice dated 18 December 2018 which estimated remuneration of \$30,000.00 to \$50,000.00 (excluding GST).

In preparing this remuneration approval report, I have made my best estimate at what I believe the liquidation will cost to complete and I do not anticipate that I will have to ask creditors to approve any further remuneration. However, should the Creditors Voluntary Liquidation not proceed as expected, I will advise creditors and I may seek approval of further remuneration and provide details on why the remuneration has changed.

Matters that may affect the progress and the cost of the liquidation, include:

- Outcome of my application to the State for access to the mine site to discharge my obligations as Liquidator.
- Civil and criminal proceedings against the Company brought about by the State prior to my appointment.

3.3.1 Access to the mine site

Upon appointment, I disclaimed the Company's mining tenements over state owned land because amongst other things, the Company was without funds to continue the fiduciary obligations of care and maintenance. The mine site is currently under the control of the Department of Natural Resources, Mines and Energy (**DNRME**). I have applied to the Executive Officer of the DNRME on 20 December 2018 for permission to access the mine site. We have not received a response from the DNRME to this application as at the date of this report. Therefore my future remuneration excludes any tasks associated with gaining access to the mine site. In the event that I gain access to the mine site, I may issue a subsequent report to creditors requesting approval for further remuneration.

3.4 Likely impact on dividends

The Corporations Act sets the order for payment of claims against the company and it provides for remuneration of the Liquidators to be paid in priority to certain claims. This ensures that when there are sufficient funds, the Liquidators receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve my remuneration, this does not guarantee that I will be paid, as my remuneration is only drawn if sufficient assets are recovered.

Any dividend to creditors will also be impacted by the amount of assets that I am able to recover and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors such as employees.

It appears there will be insufficient funds recovered in the liquidation to pay a dividend to any class of creditor.

3.5 Remuneration recovered from external sources

The Liquidators have received, or are entitled to receive funding from external sources for remuneration should insufficient assets be available to meet costs of the liquidation for an amount up to \$150,000. This funding may be used for costs incurred during the liquidation of Tropical Metals Pty Ltd (In Liquidation) and Wolfram Camp Mining Pty Ltd (In Liquidation), a related entity. This funding may be used for the Liquidators' fees, disbursements or any other claims and liabilities associated with the liquidations only if insufficient assets are realised in the respective liquidations.

4. Disbursements

Disbursements are divided into three types:

- **Externally provided professional services** – these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.

- **Externally provided non-professional costs** – these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the Administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

I have undertaken a proper assessment of disbursements claimed for the Company in accordance with the law and applicable professional standards. I am satisfied that the disbursements claimed are necessary and proper.

I do not intend charge any internal disbursements and therefore are not asking for creditor approval for disbursements.

5. Summary of receipts and payments

There have been no receipts and payments in this liquidation to date. However there are expenses which have been incurred in the liquidation which are unpaid as at the date of this report.

6. Queries

Please contact Liam Barnes on +61 7 3257 6071 or by email on liam.barnes@pwc.com should you have any queries or require any further information.

You can access additional information on the following websites:

- ARITA at www.arita.com.au/creditors
- ASIC at <http://asic.gov.au/regulatory-resources/insolvency/insolvency-information-sheets/>

Annexures

Annexure A – Calculations of remuneration schedules

Schedule A1 – Liquidators’ remuneration for the period 4 December 2018 to 15 February 2019.

Name	Position	\$/hours (Ex GST)	Total Actual Hrs	Total	Assets		Creditors		Trade On		Investigation		Administration	
				\$	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs
Michael Owen	Appointee	720	1.80	1,296.00	504.00	0.70	-	-	-	-	-	-	792.00	1.10
Mahala Hazell	Director	625	8.90	5,562.50	312.50	0.50	937.50	1.50	1,812.50	2.90	62.50	0.10	2,437.50	3.90
Liam Barnes	Senior Consultant	425	7.00	2,975.00	-	-	765.00	1.80	-	-	1,275.00	3.00	935.00	2.20
Alison McLaughlin	Consultant	350	0.10	35.00	-	-	-	-	-	-	-	-	35.00	0.10
	Senior Bookkeeper	180	2.00	360.00	-	-	-	-	-	-	-	-	360.00	2.00
Total			19.80	10,228.50	816.50	1.20	1,702.50	3.30	1,812.50	2.90	1,337.50	3.10	4,559.50	9.30
GST				1,022.85										
Total (Including GST)				11,251.35										
Average rate (excluding GST)				516.59	680.42		515.91		625.00		431.45		490.27	

Schedule A2 – Liquidators’ remuneration for the period 16 February 2019 to the conclusion of the liquidation.

Position	\$/hours (Ex GST)	Total Actual Hrs	Total	Creditors		Investigation		Administration	
			\$	\$	Hrs	\$	Hrs	\$	Hrs
Appointee	720.00	1.40	1,008.00	432.00	0.60	288.00	0.40	288.00	0.40
Director	625.00	8.60	5,375.00	3,125.00	5.00	1,812.50	2.90	437.50	0.70
Senior Consultant	425.00	10.20	4,335.00	1,572.50	3.70	2,125.00	5.00	637.50	1.50
Consultant	350.00	11.00	3,850.00	1,750.00	5.00	1,050.00	3.00	1,050.00	3.00
Senior Bookkeeper	180.00	2.40	432.00	-	-	-	-	432.00	2.40
Total		33.60	15,000.00	6,879.50	14.30	5,275.50	11.30	2,845.00	8.00
GST			1,500.00						
Total (Including GST)			16,500.00						
Average rate (excluding GST)			446.43	481.08		466.86		355.63	

Annexure B – Table of major tasks for remuneration

Schedule B1

Resolution 1

The below table provides a description of the work undertaken in each major task area for the period 4 December 2018 to 15 February 2019.

Task Area	General Description	Includes
Assets 1.20 hours \$816.50	Other Assets	Notice to PNP Paribas regarding bank guarantee Disclaiming mining tenements Discussions and meeting with the Department of Natural Resources, Mines and Energy regarding the tenements Discussions and meeting with the Department of Natural Resources, Mines and Energy regarding access to the mine site
Creditors 3.30 hours \$1,702.50	Creditor reports	Preparing initial report to creditors
	Dealing with proofs of debt	Receipting and filing POD
Trade On 2.90 hours \$1,812.50	Trade On Management	Liaising with the Department of Natural Resources, Mines and Energy (DNRME) regarding the handover of the tenements
	Budgeting and financial reporting	Prepare cashflow forecast
Investigation 3.10 hours \$1,337.50	Conducting investigation	Collection of company books and records Conducting and summarising statutory searches Preparing day one notifications to banks and other financiers Preparing books and records demands to third parties
Administration 9.30 hours \$4,559.50	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	Bank account administration	Requesting bank statements Bank account reconciliations
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms
	ATO and other statutory reporting	Notification of appointment
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage

Schedule B2

Resolution 2

The below table provides a description of the work undertaken in each major task area for the period 16 February 2019 to the conclusion of the liquidation.

Task Area	General Description	Includes
Creditors 14.30 hours \$6,879.50	Creditor Enquiries	Deal with creditor enquiries via telephone Maintaining creditor enquiry files Review and prepare correspondence to creditors and their representatives via facsimile, email and post
	Creditor reports	Preparing reports to creditors
	Dealing with proofs of debt	Receipting and filing POD
Investigation 11.30 hours \$5,275.50	Conducting investigation	Reviewing company's books and records Review and preparation of company nature and history Conducting and summarising statutory searches Preparation of comparative financial statements Investigations to identify indicators of insolvency and possible claims for insolvent trading Preparation of investigation file
	Litigation / Recoveries	Liaising with solicitors regarding filing of court applications Discussions with the prosecution regarding the ongoing criminal proceedings Attendance in court Attend to negotiations
Administration 8.00 hours \$2,845.00	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	Bank account administration	Preparing correspondence closing accounts Bank account reconciliations
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms
	ATO and other statutory reporting	Notification of appointment Preparing BAS
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage

***Appendix B–
Proposal without a
meeting form***

Notice of proposal to creditors

Resolution 1

Tropical Metals Pty Ltd (In Liquidation) ***ACN 061 766 265 (the Company)***

Instructions

1. Place a tick in the boxes below indicating whether you are in favour or against the proposed resolution and fill in your details.
2. Return to: Liam Barnes by 25 March 2019
By email: liam.barnes@pwc.com
By fax: +61 7 3257 5999
Address: PricewaterhouseCoopers, 480 Queen Street, BRISBANE QLD 4000

Proposed Resolution

That the remuneration of the Liquidators is approved for the period 4 December 2018 to 15 February 2019 of \$10,228.50 plus GST as set out in the Remuneration Approval Report dated 27 February 2019 to be drawn from available funds immediately or as funds become available.

Voting Form

I approve the proposal

I do not approve the proposal

Name of Creditor

Address of Creditor

**Amount Claimed
As Owning**

\$

Is your company related to the Company?

Yes / No

Contact Name

Contact Telephone

**Signature of authorised officer
or Company Seal**

Reasons for the proposal

The purpose of the resolution is to approve remuneration of the Liquidators without calling a formal meeting of creditors to minimise costs.

Likely impact of passing the proposal

The remuneration will have the effect of decreasing the amount that would otherwise be available to unsecured creditors in the event a dividend of less than 100 cents in the dollar is paid.

Objection to proposal

If you object to the proposal being resolved without a creditors meeting please forward a letter indicating your objection to Liam Barnes before the above date.

Notice of proposal to creditors

Resolution 2

Tropical Metals Pty Ltd (In Liquidation) ***ACN 061 766 265 (the Company)***

Instructions

1. Place a tick in the boxes below indicating whether you are in favour or against the proposed resolution and fill in your details.
2. Return to: Liam Barnes by 25 March 2019
By email: liam.barnes@pwc.com
By fax: +61 7 3257 5999
Address: PricewaterhouseCoopers, 480 Queen Street, BRISBANE QLD 4000

Proposed Resolution

That the remuneration of the Liquidators is approved for the period 16 February 2019 to the conclusion of the liquidation up to a maximum of \$15,000.00 plus GST, as set out in the Remuneration Approval Report dated 27 February 2019 to be drawn from available funds as incurred or as funds become available. This amount may be revised by resolution of creditors or by order of the court.

Voting Form

I approve the proposal

I do not approve the proposal

Name of Creditor

Address of Creditor

**Amount Claimed
As Owing**

\$

Is your company related to the Company?

Yes / No

Contact Name

Contact Telephone

**Signature of authorised officer
or Company Seal**

Reasons for the proposal

The purpose of the resolution is to approve remuneration of the Liquidators without calling a formal meeting of creditors to minimise costs.

Likely impact of passing the proposal

The remuneration will have the effect of decreasing the amount that would otherwise be available to unsecured creditors in the event a dividend of less than 100 cents in the dollar is paid.

Objection to proposal

If you object to the proposal being resolved without a creditors meeting please forward a letter indicating your objection to Liam Barnes before the above date.

***Appendix C– Proof of
debt form***

FORM 535
Corporations Act 2001

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidators of Tropical Metals Pty Ltd (In Liquidation) **(the Company)**

1. This is to state that the Company was on Tuesday, 4 December 2018, and still is, justly and truly indebted

to(creditor)
(name of creditor)

of
(address of creditor)

for \$.....

Particulars of the debt are:

Date <i>(date when the debt arose)</i>	Consideration <i>(state how debt arose and attach supporting documentation)</i>	Amount (\$)	Remarks <i>(include details of voucher substantiating payment)</i>

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following
(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount (\$)	Due Date

*3A. I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

*3B. I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

** Items 3A & 3B - delete both if the creditor is a natural person and this proof is made by the creditor personally. In other cases, if, for example, you are the director of a corporate creditor or the solicitor or accountant of the creditor, you sign this form as the creditor's authorised agent (delete item 3A). If you are an authorised employee of the creditor (credit manager etc), delete item 3B.*

I have attached the following documents (tick as many as appropriate):

- Invoices Judgement from Court Letters of demand Orders from Company
- Monthly statements Statutory demand Credit application Guarantee from Company
- Creditors authority letter Other documents

Complete all sections

Dated/...../..... Name Signatory.....

Phone Email address.....

***Appendix D – Creditor
Information Sheet-
'Proposals without a
meeting'***

Information sheet: Proposals without meetings

You may be a creditor in a liquidation, voluntary administration or deed of company arrangement (collectively referred to as an external administration).

You have been asked by the liquidator, voluntary administrator or deed administrator (collectively referred to as an external administrator) to consider passing a proposal without a meeting.

This information sheet is to assist you with understanding what a proposal without a meeting is and what your rights as a creditor are.

What is a proposal without a meeting?

Meetings of creditors were previously the only way that external administrators could obtain the views of the body of creditors. However, meetings can be very expensive to hold.

A proposal without a meeting is a cost effective way for the external administrator to obtain the consent of creditors to a particular course of action.

What types of proposals can be put to creditors?

The external administrator is able to put a range of proposals to creditors by giving notice in writing to the creditors. There is a restriction under the law that each notice can only contain a single proposal. However, the external administrator can send more than one notice at any single time.

What information must the notice contain?

The notice must:

- include a statement of the reasons for the proposal and the likely impact it will have on creditors if it is passed
- invite the creditor to either:
 - vote yes or no to the proposal, or
 - object to the proposal being resolved without a meeting, and
- specify a period of at least 15 business days for replies to be received by the external administrator.

If you wish to vote or object, you will also need to lodge a Proof of Debt (POD) to substantiate your claim in the external administration. The external administrator will provide you with a POD to complete. You should ensure that you also provide documentation to support your claim.

If you have already lodged a POD in this external administration, you do not need to lodge another one.

The external administrator must also provide you with enough information for you to be able to make an informed decision on how to cast your vote on the proposal. With some types of proposals, the law or ARITA's Code of Professional Practice sets requirements for the information that you must be provided.

For example, if the external administrator is asking you to approve remuneration, you will be provided with a Remuneration Approval Report, which will provide you with detailed information about how the external administrator's remuneration for undertaking the external administration has been calculated.

What are your options if you are asked to vote on a proposal without a meeting?

You can choose to vote yes, no or object to the proposal being resolved without a meeting.

How is a resolution passed?

A resolution will be passed if more than 50% in number and 50% in value (of those creditors who did vote) voted in favour of the proposal, but only so long as not more than 25% in value objected to the proposal being resolved without a meeting.

What happens if the proposal doesn't pass?

If the proposal doesn't pass and an objection is not received, the external administrator can choose to amend the proposal and ask creditors to consider it again or the external administrator can choose to hold a meeting of creditors to consider the proposal.

The external administrator may also be able to go to Court to seek approval.

What happens if I object to the proposal being resolved without a meeting?

If more than 25% in value of creditors responding to the proposal object to the proposal being resolved without a meeting, the proposal will not pass even if the required majority vote yes. The external administrator will also be unable to put the proposal to creditors again without a meeting.

You should be aware that if you choose to object, there will be additional costs associated with convening a meeting of creditors or the external administrator seeking the approval of the Court. This cost will normally be paid from the available assets in the external administration.

This is an important power and you should ensure that it is used appropriately.

Where can I get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding external administrations and insolvency.

This information is available from ARITA's website at artia.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at asic.gov.au (search for "insolvency information sheets").