



McDonald  
Vague

business recovery partners

## DML Resources Limited (In Liquidation)

### Liquidators' Thirty Fifth Report (for the period from 7 November 2015 to 6 May 2016)

McDonald Vague Limited

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#### 1 PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

On 7 May 1998, DML Resources Limited ("the company") was placed in liquidation by the High Court at Auckland.

Pursuant to Section 255(2)(d) of the Companies Act 1993 ("the Act"), the liquidators herewith report on the progress of the liquidation. This thirty fifth report should be read in conjunction with the liquidators' previous reports. This report is being filed with the Registrar of Companies only, and is also on our website.

We attach below a statement of receipts and payments for the last six months and also for the period of the liquidation.

#### 2 RESTRICTIONS

This report has been prepared in accordance with section 255(2)(d) of the Act. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever to any party as a result of the circulation, publication, reproduction or use of this report.

We reserve the right (but are under no obligation) to review and, if we consider necessary, revise this report in respect of any information existing at the date of this report which becomes known to us after that date.

#### 3 CONDUCT OF THE LIQUIDATION DURING THE PRECEDING SIX MONTHS

##### *Asset Realisations*

**3.1** All assets of DML have been realised other than the ongoing recovery from Malaysia detailed in section 4 of this report. The final payment is due July 2016 and then the Malaysian entity will be wound up, final audit and completion costs dealt with and then a final distribution will be available to creditors.

#### 4 DML MALAYSIA

The liquidators and their joint venture partners have negotiated a confidential settlement of the outstanding legal proceedings. The liquidators confirm that seven instalments of the settlement amount have been received. There is one instalment remaining. The final instalment is due in July 2016.

The funds received to date have funded the recent further distributions to unsecured creditors. Most unsecured creditors have as a result received 100 cents in the dollar. The distributions have been paid as follows:

• First Distribution	5 cents	\$662,627
• Second Distribution	60 cents	\$7,869,675
• Third Distribution	29 cents	\$1,311,613
• Fourth Distribution	3 cents	\$393,361
• Fifth Distribution	3 cents	\$393,361
	100 cents	\$10,630,637

As described in detail below, those unsecured creditors that were in a separate class relating to voidable preference are entitled to distributions since the fifth distribution until they also receive 100 cents in the dollar.

#### 5 DISTRIBUTIONS

The sixth distribution to unsecured creditors in the voidable preference trust (\$5,895,356) was paid to those creditors on 30 January 2015 for \$265,291, and a seventh distribution of \$229,503 was paid on 10 March 2016. The creditors in the voidable preference trust have now received 89.5 cents in the dollar.

The Act requires that all unsecured creditors have to be paid 100 cents in the dollar before interest can be paid on amounts claimed. Future distributions will from now on be paid pro rata to those remaining creditors that contributed to the voidable preference trust. The liquidators however do not expect that those remaining creditors will receive 100 cents in the dollar so all future distributions will be paid to the creditors within the voidable preference trust.

We advise that the purpose of the Voidable Preference Trust is now over.

#### 6 INVESTIGATIONS and CREDITOR CLAIMS

There is nothing new to report apart from further distributions paid to the creditors in the voidable preference trust.

## 7 FUNDS

As at 6 May 2016 the liquidation had approximately \$39,608.

We attach below a statement of receipts and payments for the last six months.

## 8 ESTIMATED DATE OF COMPLETION

The completion of this liquidation is dependent upon conclusion of the settlement with the Malaysian joint venture company. This is expected to be within the next three months.

The last settlement payment from Malaysia is due in July 2016 and then the Malaysian entity can be wound up and finalisation can commence.

## 9 CONTACT DETAILS

Enquiries should be directed to Boris van Delden on DDI (09) 306 3342 or by email to [bvandelden@mvp.co.nz](mailto:bvandelden@mvp.co.nz).

The Liquidators can be contacted at:

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LIQUIDATOR

DATED this 20<sup>th</sup> day of July 2016

# Realisations and Distributions

## DML Resources Limited (In Liquidation)

7 November 2015 to 6 May 2016

Realisations	Cash Received \$
Opening Balance of Funds (per 34 <sup>th</sup> report)	176,286
Settlement with DML MRP	151,637
Interest Received	2,082
<b>Total Realisations</b>	<b>\$330,005</b>
Payments	
Liquidators Fees	
Liquidators Fees	34,940
Disbursements	-4,119
<b>Total Liquidators Fees</b>	<b>\$30,821</b>
Other Costs of Liquidation	
Printing	6,289
Legal Fees - DML Malaysia	2,658
Bank Fees	56
Residents Withholding Tax	583
Accounting Fees	1,080
DML Malaysia - DML Minerals	19,107
<b>Total Costs of Liquidation</b>	<b>\$29,773</b>
Distributions	
First Distribution - Amendment	300
Seventh Distribution - Voidable Preference Trust Creditors (89.5 cent in the \$1.00)	229,503
<b>Total Distributions</b>	<b>\$229,803</b>
<b>Total Payments</b>	<b>\$290,397</b>
<b>BALANCE HELD</b>	<b>\$39,608</b>

Note: the above figures are GST exclusive

# Realisations and Distributions

## DML Resources Limited (In Liquidation) 7 May 1998 to 6 May 2016

Realisations		Cash Received \$
Funds from Receiver	1,114,159	
Funds from Debentureholder	240,000	1,354,159
<b>New Zealand Assets</b>		
Debtors	32,791	
Plant and Equipment	342,150	
Truck Sales	129,200	
Sundry Assets	5,424	509,565
<b>Overseas Assets</b>		
Chile	177,563	
Hong Kong	84,286	
Indonesia	72,077	333,926
<b>Settlements</b>		
Settlement with DML MRP	1,076,568	
Intercompany Loan Repayment	665,102	
Settlement – Action against Director	7,850,000	
Auriferous Settlement	100,000	
Coeur Gold (Excluding GST)	2,440,641	
Diesel Propulsion/Wiri Land	140,000	
DML Pty Australia Dividend	1,061,138	
Glencoal Settlement	27,500	
Solid Energy	375,000	13,735,949
<b>Refunds from Inland Revenue Department</b>		
Pre-Liquidation GST Refunds	1,774,228	
Residents Withholding Tax Refund	106,829	
Income Tax Refund	390,859	
DML Minerals GST Refund	602	2,272,518
<b>Miscellaneous</b>		
Insurance Refund	55,696	
Interest Received	978,852	
Legal Costs Recovered	14,412	
Sale of Shares	27,293	
Sundry	14,004	
Recovery of Financial Support to Cobalt SG Limited	26,953	
DML Voidable Trust Funds	33,354	1,150,564
<b>Total Realisations</b>		<b>\$19,356,681</b>

## Payments

### Liquidators Fees

Liquidators Fees		3,689,787
Disbursements		208,331
<b>Total Liquidators Fees</b>		<b>\$3,898,118</b>

### Other Costs of Liquidation

#### Legal Fees

Actions against Directors	1,098,598	
Auriferous	32,059	
Chile Funds	27,958	
China Receivables	83,471	
Coeur Gold (Including Consultants)	1,071,431	
Creditor Claims	45,636	
Debenture	40,099	
Diesel Propulsion	47,477	
DML Pty Limited (In Liquidation)	50,242	
Solid Energy	42,937	
Voidable Transactions	33,523	
General	169,938	2,743,369
<b>Other Professional Fees</b>		
Accounting – DML Minerals	5,388	
Accounting	20,900	
Consulting Fees	41,337	
Computer Support	2,388	
Tax Advice	94,308	164,321
<b>Financial Support to Related Companies</b>		
Financial Support – Cobalt SG Limited	37,952	
DML Resources (Asia) Limited	144,548	
DML Resources (Malaysia) Sdn Bhd	75,983	258,483
<b>Liquidation Operating Costs</b>		
Accident Compensation Corporation Costs	14,856	
Advertising	4,640	
Bank Fees	3,255	
Insurance	21,532	
Printing and Photocopying	35,994	
Storage – Vehicles, Records and Engines	95,451	
Vehicle Expenses and Transportation Costs	15,287	
Wages	7,822	
Sundry	19,942	218,779
<b>Inland Revenue Department</b>		
Fringe Benefit Tax	2,460	
Residents Withholding Tax	72,473	74,933
<b>Total Costs of Liquidation</b>		<b>\$3,459,885</b>

<b>Settlements and Distributions to Creditors</b>	
Applicant Creditor Costs	2,155
Inland Revenue Department – PAYE, GST	1,035
Settlement of Creditors' Claims	830,147
First Distribution to Unsecured Creditors	662,927
Second Distribution to Unsecured Creditors	7,869,675
Third Distribution to Unsecured Creditors	1,311,613
Fourth Distribution to Unsecured Creditors	393,362
Fifth Distribution to Unsecured Creditors	393,362
Sixth Distribution to Unsecured Creditors (Voidable Preference Trust)	265,291
Seventh Distribution to Unsecured Creditors (Voidable Preference Trust)	229,503
	(89.5 cent in the \$1.00)
<b>Total Settlements and Distributions to Creditors</b>	<b>\$11,959,070</b>
<b>Total Payments</b>	<b>\$19,317,073</b>
<b>BALANCE HELD</b>	<b>\$39,608</b>

Note: the above figures are GST exclusive