



McDonald  
Vague

business recovery partners

## DML Resources Limited (In Liquidation)

### Liquidators' Thirty Ninth Report (for the period from 7 November 2017 to 6 May 2018)

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 ninth 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.

#### 4 DML MALAYSIA

The liquidators and their joint venture partners negotiated a confidential settlement. The liquidators confirm that all instalments of the settlement amount have been received. The liquidators have advanced the liquidation process required to liquidate the Malaysian entities. This process may take up to two years. KPMG are in the process of completing tax returns and final audited financial statements to 30 June 2017 and to date of liquidation.

The liquidators have advanced funding for the liquidation, tax and audit, and accounting costs.

## 5 DISTRIBUTIONS

The funds received over the period of liquidation funded distributions to unsecured creditors. Most unsecured creditors received 100 cents in the dollar. The distributions were 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

Unsecured creditors that were in a separate class relating to voidable preference received 89.5 cents in the dollar. There may be a small further distribution depending on the costs associated with winding up the related entities and Malaysian companies.

The sixth distribution to unsecured creditors in the voidable preference trust (\$5,895,356) was paid to on 30 January 2015 for \$265,291. The seventh distribution to unsecured creditors in the voidable preference trust was paid on 11 March 2016 for \$235,814 (that is 4 cents in the dollar). The creditors of the voidable preference trust received 89.5 cents in the dollar.

The liquidators do not expect that the voidable preference trust creditors will receive 100 cents in the dollar.

## 6 INVESTIGATIONS and CREDITOR CLAIMS

There is nothing new to report.

## 7 FUNDS

As at 6 May 2018 the liquidation had approximately \$51,946.

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

## 8 ESTIMATED DATE OF COMPLETION

The completion of this liquidation awaits the conclusion of the liquidations of the Malaysian entities, DML Resources Malaysia Sdn Bhd and DML-MRP Sdn Bhd and issue of tax clearance from Malaysia, and strike off of the Malaysian entities.

## 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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PERI M FINNIGAN  
LIQUIDATOR

DATED this 31<sup>st</sup> day of May 2018

# Realisations and Distributions

## DML Resources Limited (In Liquidation) 7 November 2017 to 6 May 2018

Realisations	Cash Received
	\$
Opening Balance of Funds (per 36 <sup>th</sup> report)	121,238
Interest Received	690
<b>Total Realisations</b>	<b>\$121,928</b>
Payments	
<b>Liquidators Fees</b>	
Liquidators Fees	19,302
Disbursements	520
<b>Total Liquidators Fees</b>	<b>\$19,822</b>
<b>Other Costs of Liquidation</b>	
Bank Fees	43
Residents Withholding Tax	193
Accounting Fees	1,004
DML Malaysia – DML Minerals	48,685
Legal Fees	165
<b>Total Costs of Liquidation</b>	<b>\$50,160</b>
<b>Total Payments</b>	<b>\$69,983</b>
<b>BALANCE HELD</b>	<b>\$51,946</b>

Note: the above figures are GST exclusive

# Realisations and Distributions

## DML Resources Limited (In Liquidation) 7 May 1998 to 6 May 2018

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	1,227,385	
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	
Glencol Settlement	27,500	
Solid Energy	375,000	13,886,766
<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	982,677	
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	1,154,389
<b>Total Realisations</b>		<b>\$19,511,323</b>

## Payments

### Liquidators Fees

Liquidators Fees		3,750,155
Disbursements		210,196
<b>Total Liquidators Fees</b>		<b>\$3,960,351</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)	50,522	
Solid Energy	42,937	
Voidable Transactions	33,523	
General	170,103	2,743,814

#### Other Professional Fees

Accounting – DML Minerals	6,222	
Accounting	32,429	
Consulting Fees	41,337	
Computer Support	2,388	
Tax Advice	94,308	176,684

#### Financial Support to Related Companies

Financial Support – Cobalt SG Limited	37,952	
DML Resources (Asia) Limited	144,548	
DML Resources (Malaysia) Sdn Bhd	141,832	324,332

#### Liquidation Operating Costs

Accident Compensation Corporation Costs	14,856	
Advertising	4,640	
Bank Fees	3,504	
Insurance	21,532	
Printing and Photocopying	36,087	
Storage – Vehicles, Records and Engines	95,451	
Vehicle Expenses and Transportation Costs	15,287	
Wages	7,822	
Sundry	19,942	219,121

#### Inland Revenue Department

Fringe Benefit Tax	2,460	
Residents Withholding Tax	73,545	76,005

### Total Costs of Liquidation

**\$3,539,956**

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**Settlements and Distributions to Creditors**

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
(Total - 89.5 cents in the \$1.00)	
<b>Total Settlements and Distributions to Creditors</b>	<b>\$11,959,070</b>
<b>Total Payments</b>	<b>\$19,459,377</b>
<b>BALANCE HELD</b>	<b>\$51,946</b>

**Note:** the above figures are GST exclusive