

**DML RESOURCES LIMITED (IN LIQUIDATION)
LIQUIDATORS' TWENTY FOURTH REPORT TO CREDITORS**

for the period from 7 May 2010 to 6 November 2010
(pursuant to section 255(2)(d) of the Companies Act 1993)

1. PROGRESS OF THE ADMINISTRATION OF THE LIQUIDATION

- 1.1 The liquidators report to creditors on the progress made in the administration of the liquidation of DML Resources Limited (In Liquidation) ("DML") during the period 7 May 2010 to 6 November 2010.
- 1.2 All assets of DML have been realised other than the possible recovery from Malaysia detailed in section 3 of this report.
- 1.3 We repeat that the liquidators have paid 75 cents in the dollar to admitted unsecured creditors. In addition to this distribution to creditors, payment has also been made from the Voidable Preference Trust to those creditors entitled to the funds held in that trust. Creditors entitled to the Voidable Preference Trust funds had claims in the liquidation totalling \$7,216,692. The total payment to these creditors in May 2005 from the trust funds was \$1,371,171 (i.e. 19 cents in the dollar).
- 1.4 The former liquidator John Trevor Whittfield resigned his appointment on 27 August 2010. He was replaced by Boris van Delden, Chartered Accountant of McDonald Vague.
- 1.5 This report is being filed with the Registrar only.

2. CREDITORS' CLAIMS

As reported previously all creditor claims have been reviewed and have been either settled, accepted, rejected or withdrawn by the creditor. Creditors' claims total \$13.09 million.

3. DML MALAYSIA

The liquidators and their joint venture partners have negotiated a settlement of the outstanding legal proceedings which have now been withdrawn.

The particulars of the settlement are confidential but will result in an eventual payment to the shareholder, being DML Resources Limited (In Liquidation).

The liquidator can confirm that the first instalment of the settlement has been paid (RM1 million) and these funds will first be paid toward legal costs of settlement and the secured debt of the joint venture company.

4. FUNDS

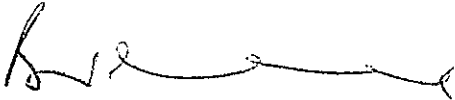
Currently, the liquidator is holding \$750 in the liquidation.

5. COMPLETION

The completion of this liquidation is dependent upon conclusion of the settlement with the Malaysian joint venture company.

Creditors are advised that this report and all previous reports are available on our website www.mvp.co.nz. Any enquiries can be directed to Boris van Delden at this office.

Yours faithfully
for DML RESOURCES LIMITED
(IN LIQUIDATION)



BORIS VAN DELDEN
LIQUIDATOR

Dated this 8th day of December 2010