



The Insolvency & Business Recovery Specialists

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

for the period from 7 May 2011 to 6 November 2011
(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 2011 to 6 November 2011.
- 1.2 All assets of DML have been realised other than the ongoing 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As reported previously all creditor claims have been reviewed and have been either settled, accepted, rejected or withdrawn by the creditor.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and their joint venture partners have negotiated a settlement of the outstanding legal proceedings which have now been withdrawn.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 was paid (RM1 million) and these funds were used to pay legal costs of settlement and the secured debt of the joint venture company.

The first payment due to DML Resources Limited (In Liquidation) has also been received and these funds were used to settle accrued legal, accounting and liquidator fees in New Zealand.

4. FUNDS

Currently, the liquidator is holding \$7,424 in the liquidation.

5. COMPLETION

The completion of this liquidation is dependent upon conclusion of the settlement with the Malaysian joint venture company. This is expected to be in approximately six years' time.

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 Kevin Bromwich at this office on DDI 0-9-303 9514.

Yours faithfully
for DML RESOURCES LIMITED
(IN LIQUIDATION)



BORIS VAN DELDEN
LIQUIDATOR

Dated this 28th day of November 2011

Number of Company: 340593

Name of Company: DML RESOURCES LIMITED (IN LIQUIDATION)

Subject: LIQUIDATOR'S STATEMENT OF REALISATIONS AND
DISTRIBUTIONS FOR THE PERIOD 7 MAY 1998 TO
6 NOVEMBER 2011

| | | Cash Received |
|---|-----------|---------------------|
| CASH HAS BEEN RECEIVED AS FOLLOWS: | \$ | \$ |
| Funds from Receiver | 1,114,159 | |
| Funds from Debentureholder | 240,000 | 1,354,159 |
| New Zealand Assets | | |
| Debtors | 32,791 | |
| Plant and Equipment | 342,150 | |
| Truck Sales | 129,200 | |
| Sundry Assets | 5,424 | 509,565 |
| Funding for DML Malaysia | | 69,281 |
| Overseas Assets | | |
| Chile | 177,563 | |
| Hong Kong | 84,286 | |
| Indonesia | 72,077 | 333,926 |
| Settlements | | |
| Settlement with DML MRP | 91,952 | |
| 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 | 12,086,231 |
| Refunds from Inland Revenue Department | | |
| Pre-Liquidation GST Refunds | 1,774,228 | |
| RWT Refund | 106,829 | |
| Income Tax Refund | 390,859 | 2,271,916 |
| Miscellaneous | | |
| Insurance Refund | 55,696 | |
| Interest Received | 947,729 | |
| Legal Costs Recovered | 14,412 | |
| Sale of Shares | 27,293 | |
| Sundry | 14,004 | |
| | | 1,059,134 |
| TOTAL REALISATIONS | | <u>\$17,684,212</u> |

CASH HAS BEEN PAID AS FOLLOWS:**Costs Charges & Expenses of Liquidation**

| | | |
|---|-----------|---------------------|
| Liquidators' Fees | 3,379,446 | |
| Disbursements | 172,603 | 3,552,049 |
| 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 | |
| Creditors' Claims | 45,636 | |
| Debenture | 40,099 | |
| Diesel Propulsion | 47,477 | |
| DML Pty Limited (In Liquidation) | 30,419 | |
| Solid Energy | 42,937 | |
| Voidable Transactions | 33,523 | |
| General | 162,141 | 2,715,749 |
| Other Professional Fees | | |
| Accounting | 15,138 | |
| Consulting Fees | 36,131 | |
| Computer Support | 2,388 | |
| Tax Advice | 86,361 | 140,018 |
| Financial Support to Related Companies | | |
| Financial Support – Cobalt SG Limited | 37,952 | |
| DML Resources (Asia) Limited | 144,548 | |
| DML Resources (Malaysia) Sdn Bhd | 128,530 | 311,030 |
| Liquidation Operating Costs | | |
| Accident Compensation Corporation Costs | 14,856 | |
| Advertising | 4,640 | |
| Bank Fees | 2,699 | |
| Insurance | 21,532 | |
| Printing and Photocopying | 29,705 | |
| Storage – Vehicles, Records and Engines | 95,451 | |
| Vehicle Expenses and Transportation Costs | 15,287 | |
| Wages | 7,822 | |
| Sundry | 19,942 | 211,934 |
| Inland Revenue Department | | |
| Fringe Benefit Tax | 2,460 | |
| Resident Withholding Tax | 66,296 | 68,756 |
| Settlements and Distributions to Creditors (See Notes 3 and 4) | | |
| Applicant Creditor Costs | 2,155 | |
| Inland Revenue Department – PAYE, GST | 1,035 | |
| Settlement of Creditors' Claims | 830,147 | |
| First Distribution to Unsecured Creditors | 662,627 | |
| Second Distribution to Unsecured Creditors | 7,869,675 | |
| Third Distribution to Unsecured Creditors | 1,311,613 | 10,677,252 |
| TOTAL DISTRIBUTIONS | | <u>\$17,676,788</u> |

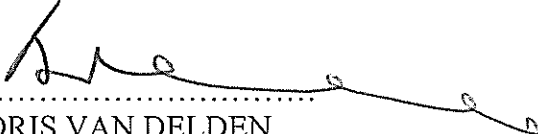
TOTAL REALISATIONS
LESS TOTAL DISTRIBUTIONS

17,684,212
17,676,788

BALANCE HELD

\$7,424

Note: The above figures are GST exclusive


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BORIS VAN DELDEN
LIQUIDATOR

Dated this 28th day of November 2011