



McDonald
Vague

business recovery partners

**DML Resources Limited
(In Liquidation)**

**Liquidators' Fortieth Report
(for the period from 7 May 2018
to 6 November 2018)**

McDonald Vague Limited

Level 10, 52 Swanson Street,
Auckland Central

PO Box 6092, Wellesley Street,
Auckland 1141, New Zealand

p: 09 303 0506
f: 09 303 0508
e: insol@mvp.co.nz

www.mvp.co.nz

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 fortieth 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. The final 2018 tax return is due to be filed on 30 November 2018. The final audit has been completed.

The liquidation of DML Resources (Malaysia) Sdn Bhd is advancing and may be completed within the next six months. An update is being sought on DML-MRP Sdn Bhd.

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. The delay on completing this liquidation lies with the time involved in winding up two entities in Malaysia that are funded by DML Resources Limited.

7 FUNDS

As at 7 March 2018 the liquidation had approximately \$46,068.

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.

The Liquidators can be contacted at:

McDonald Vague Limited
Level 10
52 Swanson Street
Auckland 1010

P O Box 6092
Wellesley Street
Auckland 1141



PERI M FINNIGAN
LIQUIDATOR

DATED this 29th day of November 2018

Realisations and Distributions

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

Realisations	Cash Received
	\$
Opening Balance of Funds (per 36 th report)	51,946
Interest Received	431
Total Realisations	\$52,377
Payments	
Liquidators Fees	
Liquidators Fees	7,048
Disbursements	46
Total Liquidators Fees	\$7,094
Other Costs of Liquidation	
Bank Fees	45
Residents Withholding Tax	121
Accounting Fees	1,119
DML Malaysia – DML Minerals – Refund of Liquidators Prepayment	(2,236)
Legal Fees	165
Total Costs of Liquidation	(\$785)
Total Payments	\$6,309
BALANCE HELD	\$46,068

Note: the above figures are GST exclusive

Realisations and Distributions

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

Realisations		Cash Received \$
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
Overseas Assets		
Chile	177,563	
Hong Kong	84,286	
Indonesia	72,077	333,926
Settlements		
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
Refunds from Inland Revenue Department		
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
Miscellaneous		
Insurance Refund	55,696	
Interest Received	983,108	
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	1,154,820
Total Realisations		\$19,511,754

Payments

Liquidators Fees

Liquidators Fees		3,757,203
Disbursements		210,242
Total Liquidators Fees		\$3,967,445

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	170,268	2,743,979

Other Professional Fees

Accounting – DML Minerals	6,222	
Accounting	33,548	
Consulting Fees	41,337	
Computer Support	2,388	
Tax Advice	94,308	177,803

Financial Support to Related Companies

Financial Support – Cobalt SG Limited	37,952	
DML Resources (Asia) Limited	144,548	
DML Resources (Malaysia) Sdn Bhd	139,597	322,097

Liquidation Operating Costs

Accident Compensation Corporation Costs	14,856	
Advertising	4,640	
Bank Fees	3,549	
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	219,166

Inland Revenue Department

Fringe Benefit Tax	2,460	
Residents Withholding Tax	73,666	76,126

Total Costs of Liquidation

\$3,539,171

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)	
Total Settlements and Distributions to Creditors	\$11,959,070
Total Payments	\$19,465,686
BALANCE HELD	\$46,068

Note: the above figures are GST exclusive