

Administrators' Report to Creditors
Pursuant to Rule 75-225(3) of the
Insolvency Practice Rules (Corporations)
2016

WPG Resources Ltd
(A.C.N. 109 426 502)
Challenger Gold Operations Pty Ltd
(A.C.N. 000 715 882)
Tarcoola Gold Pty Ltd
(A.C.N. 137 063 140)
Southern Coal Holdings Pty Ltd
(A.C.N. 142 504 827)
Tunkillia Gold Pty Ltd
(A.C.N. 108 925 382)
WPG Securities Pty Ltd
(A.C.N. 149 062 724)
WPG Gawler Pty Ltd
(A.C.N. 130 640 041)
(All Administrators Appointed)
(All Receivers and Managers Appointed)
Collectively ("the WPG Group")

Date of issue of Report	26 April 2019
Date of meeting of creditors	Monday, 6 May 2019
Time of Meeting	1:00PM (ACST) 1:30PM (AEST)
Location of meeting	Terrace 1 Stamford Plaza 150 North Terrace Adelaide SA 5000
Teleconference facilities available	Yes, by request
Matter contacts	Rick Magoffin and Michael Lawless
Contact telephone	(02) 9248 5940 or (02) 8295 6077
Contact email	wpg@au.ey.com or Rick.Magoffin@au.ey.com

Abbreviations	
AISC	All-in sustaining costs
All PAAP	All Present and After-Acquired Property
ARITA	Australian Restructuring Insolvency & Turnaround Association
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office
BAPL	ByrneCut Australia Pty Ltd
BOPL	ByrneCut Offshore Pty Ltd
Code	The Code of Professional Practice
CGO	Challenger Gold Operations Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
COI	Committee of Inspection
c.	Circa or approximately
DIRRI	Declaration of Independence, Relevant Relationships and Indemnities
DMPL	Diversified Minerals Pty Ltd
DOCA	Deed of Company Arrangement
DOCA 1	The DOCA proposed by Mr Robert Duffin
DOCA 2	The DOCA proposed by First Guardian Synergy Capital Pty Ltd
EOI	Expressions of Interest
ERV	Estimated Realisable Value
EY	Ernst & Young
FY	Financial Year
Gawler	WPG Gawler Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
GST	Goods & Services Tax
ha	Hectares
IRN	Initial Remuneration Notice
IPR	Insolvency Practice Rules (Corporations) 2016
IPS	Insolvency Practice Schedule (Corporations)
k	Thousands
Kingsgate	Kingsgate Consolidated Limited
km	Kilometre
KWM	King & Wood Mallesons
m	Millions
NSW	New South Wales
P&E	Plant & Equipment
PMSI	Purchase money security interest
POD	Proof of debt/Particulars of Debt Form
PPSA	Personal Property Securities Act 2009
PPSR	Personal Property Securities Register
Pybar	Pybar Mining Services Pty Ltd
RATA	Report as to Affairs
RAR	Remuneration Approval Report

Abbreviations	
Receivers or Receivers and Managers	Mr Jonathon Colbran, Mr Richard Stone and Mr Greg Dudley of RSM Australia Pty Ltd
SA	South Australia
SCH	Southern Coal Holdings Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
Securities	WPG Securities Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
Tarcoola	Tarcoola Gold Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
Tunkillia	Tunkillia Gold Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
The Act	Corporations Act 2001
The WPG Group	WPG Resources Ltd (A.C.N. 109 426 502) Challenger Gold Operations Pty Ltd (A.C.N. 000 715 882) Tarcoola Gold Pty Ltd A.C.N. (137 063 140) Southern Coal Holdings Pty Ltd A.C.N. (142 504 827) Tunkillia Gold Pty Ltd A.C.N. (108 925 382) WPG Securities Pty Ltd A.C.N. (149 062 724) WPG Gawler Pty Ltd A.C.N. (130 640 041) (All Administrators Appointed) (All Receivers and Managers Appointed)
WPG Resources	WPG Resources Ltd (Administrators Appointed) (Receivers and Managers Appointed)

Notes:

- ▶ Unless otherwise stated, all currency denominations are based in Australian dollars.
- ▶ Amounts in this report are inclusive of GST where applicable, unless otherwise stated.

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1. Introduction

1.1 Introduction

We, Adam Nikitins, Brett Lord and Samuel Freeman, refer creditors to our Initial Circular to Creditors dated 31 July 2018 in which we advised creditors of our appointment as Joint and Several Voluntary Administrators of the WPG Group pursuant to section 436A of the *Corporations Act 2001* ("the Act") on 30 July 2018, and your rights as a creditor in the voluntary administration.

At 10:00am on 8 August 2018, Mr Greg Dudley, Mr Richard Stone & Mr Jonathon Colbran of RSM Australia Pty Ltd were appointed as Receivers and Managers of the WPG Group and took control of the business and assets of the WPG Group upon their appointment.

1.2 Administrators' Prior Involvement

Creditors are referred to our Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") dated 31 July 2018 in respect to our involvement with the WPG Group and associated entities prior to our appointment.

By way of summary, the matter was referred to us by King & Wood Mallesons ("KWM"), the Group's legal advisors, during October 2017. As disclosed in our DIRRI, we were engaged by KWM to complete work in three phases, including developing an understanding of the WPG Group, providing information on key creditor stakeholders, intercompany positions, recapitalisation options and an understanding of the cash flows and funding requirement in a voluntary administration process.

As set out in our DIRRI, we believe that this referral, the three phases of engagements and pre-appointment correspondence did not result in a conflict of interest or duty which precluded us from accepting the appointment as Administrators of the WPG Group. We confirm that there are no updates to our DIRRI dated 31 July 2018 included within our initial circular to creditors.

1.3 Purpose of Report

This report has been prepared in accordance with the requirements set out in Insolvency Practice Rules (Corporations) 2016 ("IPR") rule 75-225(3) and provides creditors with:

- ▶ the results of the Administrators' preliminary investigations into the WPG Group's business, property, affairs and financial circumstances;
- ▶ the Administrators' opinion, in the best interests of creditors, as to whether each of the entities within the WPG Group execute a Deed of Company Arrangement ("DOCA"), cease the administration, or be wound up and reasons for said opinions;
- ▶ such other information known to the Administrators as will enable the creditors to make an informed decision about the future of the WPG Group; and
- ▶ details of any transactions identified by the Administrators that appear to be voidable transactions and/or insolvent trading that be recoverable by a liquidator pursuant to Part 5.7B of the Act.

1.4 First Meeting of Creditors

The first meeting of creditors of the WPG Group was held concurrently on 8 August 2018 at the Stamford Plaza, 150 North Terrace, Adelaide SA 5000 at 11.00 a.m. at which creditors decided not to appoint alternate administrator(s) and elected a Committee of Inspection ("COI") for WPG Resources Ltd (Administrators Appointed) (Receivers and Managers Appointed) ("WPG Resources"), Challenger Gold Operations Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) ("CGO") and Tarcoola Gold Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) ("Tarcoola").

A copy of the minutes of the first meeting of creditors has been prepared and lodged with the Australian Securities and Investments Commission ("ASIC"). A copy of the minutes can be provided to creditors upon request.

1.5 Concurrent Second Meetings of Creditors

It is also the purpose of this report to convene the concurrent second meetings of creditors in accordance with the Notice of Meeting pursuant to section 439A of the Act enclosed at Appendix A. The second meeting of creditors has been called for 1:00PM (ACST) on Monday, 6 May 2019 in the Terrace 1 Room, Stamford Plaza Adelaide, 150 North Terrace, Adelaide SA 5000.

We request that creditors arrive fifteen (15) minutes prior to the commencement of the meeting to allow for adequate time to register your attendance. Telephone conference facilities are available, the details of which can be provided upon request.

An appointment of proxy form for the second meeting is enclosed at Appendix B. Please note that the proxy form submitted for the initial meeting of creditors does not apply to this meeting and a new proxy form is required to be completed. Please note that we have included a separate appointment of proxy form for each company within the WPG Group as separate resolutions are required to be passed for each company. In order to vote at the upcoming meeting, creditors need to complete an appointment of proxy form for each company they are a creditor of.

A particulars of debt form ("POD") is enclosed at Appendix C of this report. Creditors who have previously completed a POD are not required to do so again.

Creditors should contact either Rick Magoffin or Michael Lawless of our office on (02) 9694 5940 (02) 8295 6077 or by email to wpg@au.ey.com, rick.magoffin@au.ey.com or michael.lawless@au.ey.com for further details regarding the forthcoming meeting or to request teleconference details.

1.6 Administrators' opinion

1.6.1 Future of Company

The options to be presented to creditors as prescribed in the Act and to be voted upon by the creditors of each company within the WPG Group at the forthcoming meeting are that:

- ▶ the Administration end; or
- ▶ the company executes a Deed of Company Arrangement ("DOCA"); or
- ▶ the company be wound up.

For the reasons set out in this report, it is our opinion that it is in the best interests of creditors to resolve that WPG Resources Ltd and Tunkillia Gold Pty Ltd execute a DOCA (referred to below as "DOCA 1") and the remaining five WPG Group entities enter Liquidation.

In the event that DOCA 1 is incapable of acceptance at the second meeting of creditors (which is a possibility for the reasons detailed in section 9 below), we recommend that creditors resolve that WPG Resources Ltd execute a DOCA (referred to below as DOCA 2) and that the remaining six WPG Group entities enter Liquidation.

Further details regarding the options available to creditors are provided in section 9 below.

1.7 Disclaimer

This report has been prepared following our preliminary investigation and review of the available books and records of the WPG Group and other information provided to us, within the limited time frame provided by the Act.

Whilst we have endeavoured to determine the accuracy or otherwise of the information provided, we are unable to warrant the accuracy, completeness or reliability of same.

We note that as Administrators we enjoy qualified privilege, pursuant to section 442E of the Act, for any comments we have made, or may make, in this report or otherwise in the conduct of the Administration, in connection with the performance or exercise of any functions or powers by us as Administrators of the WPG Group.

We reserve the right to alter any conclusion or recommendation in this report on the basis of further information that may become available.

If any creditor is aware of any information that should be brought to the Administrators' attention relevant to any matter that may affect our recommendation in this report, the Administrators request that this be done prior to the forthcoming meeting of creditors to ensure creditors can make an informed decision about the WPG Group's future.

Further, this report may be relied upon for the purpose of providing information to creditors for the second meeting of creditors. We disclaim all responsibility to any other party for any loss or liability that the other party may suffer or incur arising from or relating to or in any way connected with the contents of this report, the provision of this report to the other party or the reliance upon this report by the other party.

2. Executive Summary

Table 1 Report section	Description
Background Information <i>Refer to Section 3</i>	<ul style="list-style-type: none"> ▶ The entities within the WPG Group were registered on the dates detailed in section 3 below. ▶ As at the date of our appointment, Mr Robert Harry Duffin was a director of the seven companies in the WPG Group. Mr Wayne Andrew Rossiter is a director of four companies (CGO, Tarcoola, Tunkillia and Gawler) and Mr Lim See Yong, Ms Helen Wiseman and Mr Cornel Bertram Parshotam were directors of WPG Resources only.
Books and Records & Historical Financial Performance <i>Refer to Section 4</i>	<ul style="list-style-type: none"> ▶ It is our opinion that sufficient books and records were maintained by the WPG Group companies. ▶ The WPG Group (on a consolidated basis) incurred a net loss of \$43.3m during the period 1 July 2015 to 30 June 2018. ▶ The WPG Group recorded a net asset surplus of \$6.4m in FY16 and \$21.4m in FY17, and a \$4.5m deficit in FY18.
Reasons for Administration <i>Refer to Section 5</i>	<ul style="list-style-type: none"> ▶ The Directors have completed a questionnaire detailing their reasons for the WPG Group's failure, which included: <ul style="list-style-type: none"> ▶ The underperformance of a mining contractor; and ▶ Costs exceeding revenue. ▶ Our investigations (in addition to those listed by the Directors) have indicated the following reasons for the WPG Group's failure: <ul style="list-style-type: none"> ▶ Ongoing underperformance of CGO; ▶ Delays in accessing Challenger Deeps; and ▶ Failure to execute a recapitalisation plan.
Current financial position of the WPG Group <i>Refer to Section 6</i>	<ul style="list-style-type: none"> ▶ The Directors have completed a Report as to Affairs ("RATA") detailing the current financial position of the WPG Group at the date of our appointment. ▶ Section 6 provides details as to the Administrators' estimated realisable value of the assets and liabilities of the WPG Group on a company and combined basis. ▶ We have withheld our estimate of asset values where they are considered commercially sensitive due to the ongoing sale campaign being undertaken by the Receivers.
Administrators' Actions Since Appointment <i>Refer to Section 7</i>	<ul style="list-style-type: none"> ▶ As Administrators, we have undertaken the following tasks: <ul style="list-style-type: none"> ▶ Initial steps on appointment which included, among other things, attendance on site to facilitate ongoing trading operations, holding discussions with trade creditors and their legal advisors regarding ongoing supply, assessing legal documentation regarding claims against the WPG Group and collection and assessment of documentation provided by the Secured Creditors. ▶ An assessment of the WPG Group's financial position and performance.

	<ul style="list-style-type: none"> ▶ Preliminary investigations into the affairs of the WPG Group and its officers. ▶ Convened and held an initial meeting of creditors on 8 August 2018. ▶ Liaised extensively with the Receivers following their appointment on 8 August 2018, including detailed handover and accounting regarding funds held. ▶ Convened and held three COI meetings. ▶ Sought and obtained two extensions of the convening period. ▶ Statutory obligations as required by the Act. <p>▶ Further details regarding our actions since appointment are provided in section 7 below.</p>
<p>Administrators' Investigations <i>Refer to Section 8</i></p>	<ul style="list-style-type: none"> ▶ We have undertaken a preliminary investigation into the affairs of the WPG Group to ascertain whether there are any voidable transactions in respect of which money, property or other benefits may be recoverable by a Liquidator under Part 5.7B of the Act or other available actions, should creditors resolve to place any company in the WPG Group into liquidation. The results of this investigation are detailed in section 8 of this report, however we have not identified any significant voidable transactions that could be pursued by a Liquidator if appointed to any company in the WPG Group. ▶ We have conducted an investigation into potential breaches of the insolvent trading provision of the Act. We believe the WPG Group companies experienced some solvency issues in mid to late 2017, which were alleviated following the injection of c. \$20m of funding in December 2017. Our investigations reveal that there were further causes for concern during May - June 2018. In late June 2018, the WPG Group entered into a forbearance agreement with its major creditor, again alleviating solvency concerns in the short term. ▶ The Directors actively pursued a recapitalisation plan which was ultimately unsuccessful. The Directors took steps to appoint Administrators shortly after the failure to secure the recapitalisation plan and withdrawal of forbearance by the major creditor. ▶ Further detail with regard to our investigations is provided in section 8 below.
<p>Options Available to Creditors <i>Refer to Section 9</i></p>	<ul style="list-style-type: none"> ▶ Section 75-225 of the Insolvency Practice Rules (Corporations) 2016 requires the Administrators of a company to prepare a statement setting out their opinion as to the best outcome of the Administration of the company. ▶ It is our opinion that it is in the best interests of creditors to resolve that WPG Resources Ltd and Tunkillia Gold Pty Ltd to execute a DOCA (referred to below as "DOCA 1") and the remaining five WPG Group entities enter Liquidation. ▶ In the event that DOCA 1 is incapable of acceptance at the second meeting of creditors (which is a possibility for the reasons detailed in section 9 below), we recommend that creditors resolve that WPG Resources Ltd execute a DOCA

	<p>(referred to below as DOCA 2) and that the remaining six WPG Group entities enter Liquidation.</p> <ul style="list-style-type: none"> ▶ Further details will be provided to creditors should DOCA 1 be withdrawn following the issue of this report and prior to the second meeting on 6 May 2019. This will be limited to those creditors of WPG Resources Ltd and Tunkillia Gold Pty Ltd only, as creditors of other WPG Group companies are unaffected by the potential changes.
<p>Remuneration <i>Refer to Section 10</i></p>	<ul style="list-style-type: none"> ▶ The Administrators' remuneration approval report is enclosed at Appendix G. ▶ Creditors should note we sought and obtained approval of our remuneration from the COIs at a meeting held on 21 November 2018 for WPG Resources, CGO and Tarcoola for the periods 30 July 2018 to 30 September 2018 in the following amounts (all excl GST): <ul style="list-style-type: none"> ▶ WPG Resources: \$110,588.50 ▶ CGO: \$314,706.50 ▶ Tarcoola: \$132,395.00 ▶ Total: \$557,690.00 ▶ Of these amounts, the Administrators have drawn the following: <ul style="list-style-type: none"> ▶ WPG Resources: \$79,022.50 ▶ CGO: \$280,618.00 ▶ Tarcoola: \$115,359.50 ▶ Total: 475,000.00 ▶ The Administrators will be seeking approval of their incurred and unapproved remuneration and anticipated future remuneration in respect of each company within the WPG Group at the upcoming second meeting of creditors, as follows: <p>Current VA remuneration:</p> <ul style="list-style-type: none"> ▶ WPG Resources: \$84,429.50 ▶ CGO: \$208,196 ▶ Tarcoola: \$52,437 ▶ Gawler: \$28,069 ▶ Tunkillia: \$15,432 ▶ Securities: \$14,640 ▶ SCH: \$15,450 <p>VA remuneration 6 April 2019 to completion of VA:</p> <ul style="list-style-type: none"> ▶ WPG Resources: \$30,000 ▶ CGO: \$10,000 ▶ Tarcoola: \$10,000 ▶ Gawler: \$10,000 ▶ Tunkillia: \$10,000

	<ul style="list-style-type: none">▶ Securities: \$5,000▶ SCH: \$5,000 DOCA remuneration (if applicable): <ul style="list-style-type: none">▶ WPG Resources: \$60,000 Liquidation remuneration (if applicable): <ul style="list-style-type: none">▶ WPG Resources: \$25,000▶ CGO: \$50,000▶ Tarcoola: \$25,000▶ Gawler: \$10,000▶ Tunkillia: \$10,000▶ Securities: \$5,000▶ SCH: \$5,000
Second meetings of creditors <i>Refer to Section 11</i>	<ul style="list-style-type: none">▶ The concurrent second meetings of creditors will be held at 1:00PM (ACST) and 1:30PM (AEST) on Monday, 6 May 2019 in the Terrace 1 room at the Stamford Plaza Adelaide, 150 North Terrace, Adelaide SA 5000, the notice regarding same is enclosed at Appendix A.

3. Background Information

3.1 WPG Group Background and Principal Business Activities

The entities within the WPG Group were incorporated between 2010 and 2015, as detailed in table 2 below.

Company Name	Date Incorporated	Overview of operations
WPG Resources Ltd	07-06-2004	Publicly listed company, acts as a holding company for the other six companies of the WPG Group.
Challenger Gold Operations Pty Ltd	26-03-2013	Operated an underground gold mine and a processing plant for the raw resources mined at both CGO and Tarcoola locations. Active and trading at the date of our appointment.
Tarcoola Gold Pty Ltd	28-07-2014	Operated an open cut gold mine, trucks raw resources mined to CGO's processing plant. Active and trading at the date of our appointment.
Southern Coal Holdings Pty Ltd	10-03-2010	Dormant.
Tunkillia Gold Pty Ltd	15-02-2012	Holds exploration licenses for the WPG Group. No current exploration.
WPG Securities Pty Ltd	01-02-2011	Holds ASX listed securities.
WPG Gawler Pty Ltd	11-11-2015	Owns CGO, manages finance and transactions regarding the sales of gold produced from the CGO processing plant.

Upon our appointment, we undertook an urgent assessment of the WPG Group's ability to continue to operate during the voluntary administration period. Based on this assessment, we determined that the WPG Group could continue to operate on a day-to-day basis whilst options were explored in the short term. As detailed above, Receivers and Managers were appointed over the WPG Group's assets and undertakings on 8 August 2018 and our involvement in the day-to-day trading of the WPG Group ceased on that day.

Details of the WPG Group's historical financial performance and position, reasons for failure, and current asset and liability position are discussed in detail throughout the remainder of this report.

WPG Resources Limited ("WPG Resources")

WPG Resources was incorporated on 7 June 2004 as Western Plains Gold Ltd. In 2006, Western Plains Gold Ltd changed its name to Western Plains Resources Ltd. Since 1 September 2010, the company has operated under the WPG Resources Ltd name. In 2011, WPG Resources sold its iron ore assets to OneSteel (Arrium) for c. \$320m. This sale resulted in a distribution to shareholders of \$1.05 per share. Following this, WPG Resources Ltd withdrew from the iron ore industry.

Following the sale of WPG Resources' iron ore assets, the Directors searched for opportunities with a defined resource and further exploration potential. In May 2014, WPG Resources announced that it had acquired 100% of Tarcoola and a 70% interest in the Tunkillia joint venture, both mining operations in SA. In November 2014, WPG Resources acquired the residual 30% interest in Tunkillia from its joint venture partner and tenement owner, Helix Resources Limited. WPG Resources continued exploration and feasibility studies at Tarcoola and Tunkillia in FY15, incurring a c. \$3.3m consolidated loss.

In March 2016, WPG Resources acquired the Challenger gold mine and associated assets in South Australia (in joint venture with Diversified Minerals Pty Ltd (“DMPL”), a company associated with Pybar Mining Services Pty Ltd (“Pybar”). In late May 2016, after a three-month period of care and maintenance, the Challenger gold mine was brought back into production (which is discussed further below). During FY16, WPG Resources successfully completed three capital raisings, with each equity issue done at a higher price than the previous one. On a consolidated basis, the WPG Group incurred a c. \$8.3m loss in FY16.

In FY17, mining activities commenced at Tarcoola. The FY17 financial result for the WPG Group was poor, being a c. \$9.1m total loss. The WPG Group attributed this to unsustainably high all-in sustaining costs (“AISC”). Specifically, the poor financial performance in FY17 was attributed by the Board to mine development at Challenger being well below plan, equipment suffering from inadequate maintenance and skilled manning levels being below agreed numbers. A dispute with CGO’s mining contractor Pybar resulted in their replacement with BAPL and the formulation of a mine turn-around strategy to address the identified shortcomings.

FY18 was a challenging year for the WPG Group, a year which brought ongoing losses at the Challenger mine and the continued inability to meet budgeted production, attributed in a large part to the failure to achieve the anticipated grade at CGO, ageing plant and equipment and delays as a result of the dispute with Pybar and associated changeover of services to BAPL. In December 2017, CGO secured a \$20m facility with BOPL, secured as second-ranking secured creditor for working capital purposes to be used solely for the development and production of the pre-existing CGO underground and Tarcoola open pit mines.

As a result of the continued poor mining results, the depletion of the \$20m funds provided by BOPL and the inability to secure a recapitalisation plan, the WPG Group entered Voluntary Administration on 30 July 2018.

We note that Pybar dispute management’s claim that they contributed to the underperformance of the Challenger mine, as evidenced by the court proceedings on foot at the time of our appointment.

Challenger Gold Operations Pty Ltd (“CGO”)

CGO was acquired from Kingsgate Consolidated Limited (“Kingsgate”) in March 2016. The mine was operated through a 50/50 joint venture between Gawler and DMPL. In August 2016, WPG Resources completed the acquisition of DMPL’s 50% interest.

The first gold discovery was made by a joint venture between Resolute Resources and Dominion Gold Operations Pty Ltd in 1995. Dominion carried out a bankable feasibility study, and proceeded with construction in September 2001.

THE CGO mine has been in operation under various owners since April 2002 and had produced over 1 million ounces of gold at the time of acquisition by WPG Resources. It is located 730km northwest of Adelaide, 150km southwest of Coober Pedy and 130km northwest of the Tarcoola gold project (details below). Site infrastructure, covering approximately 300 ha of a mineral lease area of 13.2km², consists of underground development and services, a crushing and processing plant, 240 personnel accommodation village and airstrip. CGO is not connected to the power grid and electricity was generated by two onsite power stations.

CGO's financial performance was consistently poor during the period May 2016 to the date of our appointment. The Board attributed this to high AISC, mine development at CGO being well below plan, equipment suffering from inadequate maintenance and skilled manning levels being below agreed numbers. CGO commenced test drilling activities at Challenger Deeps, an area that was expected to produce higher quality grade, in late FY17, which provided encouraging results. CGO expected to commence mining the Challenger Deeps in late 2017, however due to the dispute with Pybar, BAPL took over underground mining on 8 August 2017. Whilst some development drilling was undertaken at Challenger Deeps, full underground mining did not commence prior to our appointment.

Our analysis indicates that the \$20m funding provided by BOPL was exhausted on or around 1 May 2018, at which stage the Directors continued negotiations with BAPL and BOPL regarding extended trading terms and forbearance from enforcing and seeking recovery of some unsecured debt while a recapitalisation plan was undertaken. CGO was unable to secure a funder to facilitate a recapitalisation and the Directors appointed Voluntary Administrators on 30 July 2018. CGO incurred a gross loss of c. \$2.6m in FY18.

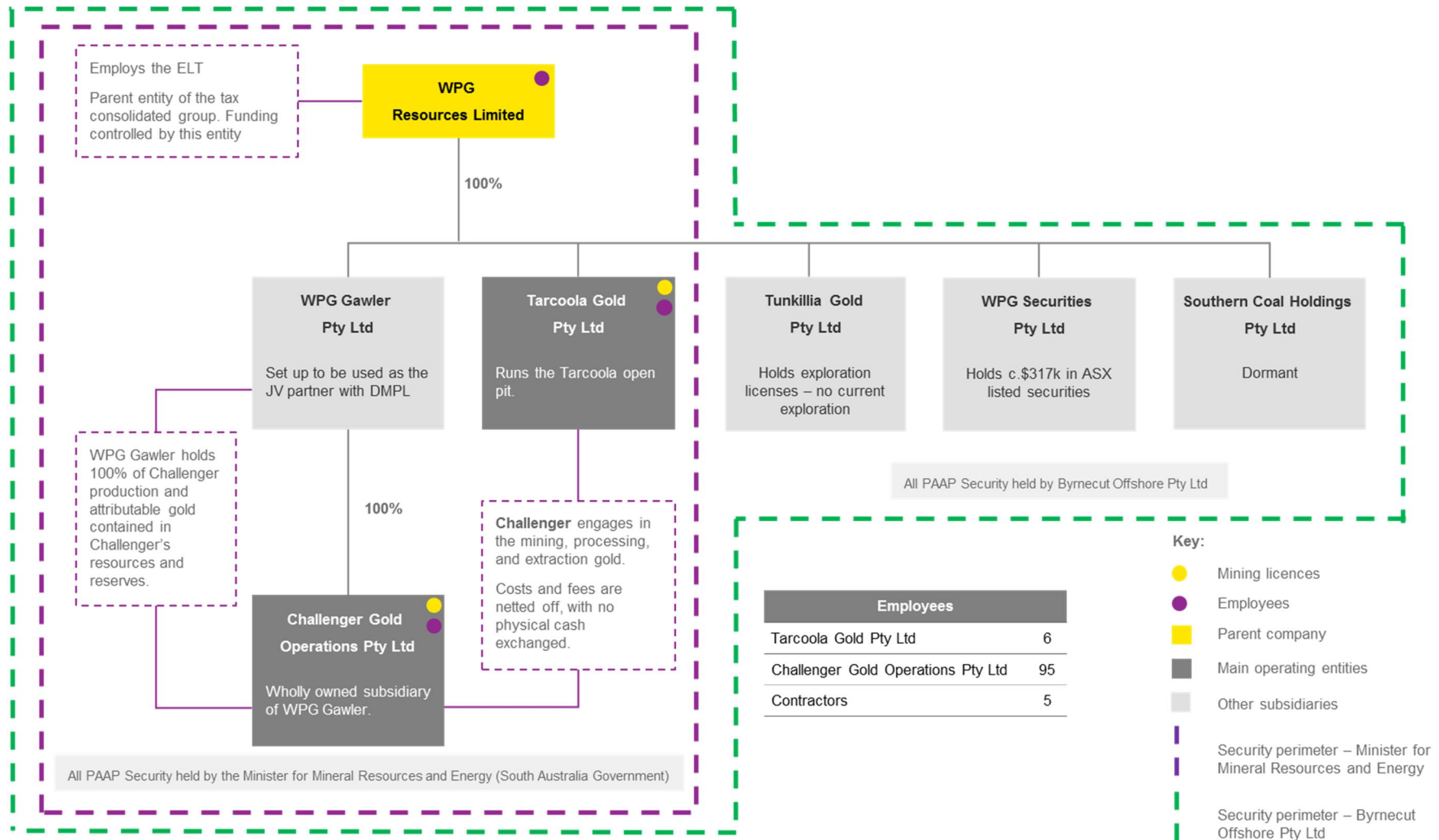
Tarcoola Gold Pty Ltd ("Tarcoola")

The Tarcoola goldfield was discovered in 1893, however the first drill testing did not occur in the Tarcoola district until 1985. The Tarcoola Gold Project is located 600km northwest of Adelaide. Tarcoola was granted a mineral lease on 8 March 2016 for the mine and primary infrastructure. Following the acquisition of CGO in March 2016, it was decided that processing synergies could be realised by using the existing processing facility at CGO to treat ore mined at Tarcoola. In December 2016, open pit mining activities commenced at Tarcoola with the first ore hauled to CGO in January 2017.

Tarcoola generated a net profit of c. \$1.5m in FY17 and a gross profit of c. \$8.3m in FY18 (according to the management accounts). We note that a number of expenses that ought to have been recorded in Tarcoola's accounts were recorded in the accounts of WPG Resources (and were recognised as various loans payable by Tarcoola to WPG Resources). According to the management accounts, Tarcoola was indebted to WPG Resources in the amount of c. \$16.1m at the end of FY18.

3.2 WPG Group Structure

The graph below provides detail as to the structure of the WPG Group. Further details regarding the developments undertaken by the entities within the WPG Group were provided above in sections 3.1 and are presented in sections 4 and 7 below.



3.3 Business Premises

The WPG Group operated primarily from two leased premises. The head office was located at Macquarie Place, Sydney NSW 2000 and the other premises located at King William Street Adelaide SA 5000.

Following our appointment, we continued to occupy both premises in accordance with section 443B(2) of the Act, which entitles us to five (5) business days rent free period in which to determine whether to continue to occupy the premises during the voluntary administration period.

We have conducted SA and NSW land title searches which indicate that the WPG Group is not the registered owner or lessee of any other real property in SA and NSW. We have formally vacated both premises.

3.4 WPG Group Office Holders

According to the records of the ASIC, the WPG Group's office holders as at the date of our appointment were as follows:

Company	Director Name	Appointment Date
Challenger Gold Operations Pty Ltd	Wayne Andrew Rossiter	15-03-2016
	Robert Harry Duffin	16-12-2016
Southern Coal Holdings Pty Ltd	Robert Harry Duffin	10-03-2010
Tarcoola Gold Pty Ltd	Robert Harry Duffin	13-05-2009
	Wayne Andrew Rossiter	16-12-2016
Tunkillia Gold Pty Ltd	Robert Harry Duffin	29-05-2014
	Wayne Andrew Rossiter	16-12-2016
WPG Gawler Pty Ltd	Robert Harry Duffin	18-04-2008
	Wayne Andrew Rossiter	16-12-2016
WPG Resources Ltd	Robert Harry Duffin	07-06-2004
	Lim See Yong	20-08-2007
	Helen Wiseman	20-10-2016
	Cornel Bertram Parshotam	18-10-2017
WPG Securities Pty Ltd	Robert Harry Duffin	01-02-2011

3.5 WPG Group Shareholding

At the date of our appointment the WPG Group's shareholding comprised of the following:

Company	Shareholder	Share Class	Number of Shares	Percentage (%)
Challenger Gold Operations Pty Ltd	WPG Gawler Pty Ltd	Ordinary	11,000	100
Tunkillia Gold Pty Ltd	WPG Resources Ltd	Ordinary	1	100
WPG Gawler Pty Ltd	WPG Resources Ltd	Ordinary	1	100
Tarcoola Gold Pty Ltd	WPG Resources Ltd	Ordinary	1	100
Southern Coal Holdings Pty Ltd	WPG Resources Ltd	Ordinary	1	100
WPG Securities Pty Ltd	WPG Resources Ltd	Ordinary	1	100

Shareholder	Share Class	Number of Shares	Percentage (%)
1. L&M Group Limited	Ordinary	52,258,333	5.768
2. Jalinsons Pty Ltd	Ordinary	35,149,997	3.880
3. Jetan Pty Ltd	Ordinary	26,193,957	2.891
4. REC Investment Management Pty Ltd	Ordinary	22,080,541	2.437
5. Peplon Nominees Pty Ltd	Ordinary	20,589,392	2.273
6. Jalinsons Pty Ltd	Ordinary	17,786,110	1.963
7. Mr Robert Harry Duffin	Ordinary	16,055,554	1.772
8. Irrawaddy Investments Pty Ltd	Ordinary	13,695,831	1.512
9. Mr Martin Montull	Ordinary	12,224,105	1.349
10. Custodial Services Limited	Ordinary	9,645,045	1.065
11. National Nominees Limited	Ordinary	9,541,708	1.053
12. Chembank Pty Limited	Ordinary	9,000,000	0.993
13. Lawncat Pty Ltd	Ordinary	8,621,514	0.952
14. Irrawaddy Investments Pty Ltd	Ordinary	8,318,561	0.918
15. 86th Arcadian Pty Limited	Ordinary	8,284,000	0.914
16. Jetan Pty Ltd	Ordinary	8,000,000	0.883
17. Nonad Financial Services Pty Ltd	Ordinary	7,844,500	0.866
18. BNP Paribas Nominees Pty Ltd	Ordinary	7,137,011	0.788
19. Sydney Fund Managers Ltd	Ordinary	6,777,301	0.748
20. Mr Eric George Baker & Mrs Janine Marie Baker	Ordinary	6,476,666	0.715
Total top 20 shareholders	Ordinary	305,680,126	33.74
Total remaining holders balance	Ordinary	600,277,871	66.26
Total ordinary fully paid shares issued	Ordinary	905,957,997	100.00

As per the above table, WPG Resources is the ultimate shareholder of five entities within the WPG Group. Listed individually in the table is the top 20 shareholders of WPG Resources.

3.6 Personal Property Security Act 2009 Secured Interests & Interests in Real Property

A search of the Personal Property Securities Register (“PPSR”) conducted at the date of our appointment revealed registered security interests in respect to property of the WPG Group. Following our appointment, we wrote to each of these parties requesting details of their security interest(s) in the WPG Group’s property.

A number of registrations related to retention of title (“ROT”) claims in respect of stock that was on hand as at the date of our appointment. We facilitated a number of stock takes in relation to these claims and made payments to the respective suppliers when it was determined that their claims were valid and related to stock on hand. Upon the appointment of the Receivers and Managers on 8 August 2018, we provided details of all ongoing ROT and PPSR claims to the Receivers and Managers who took control of the assessment of all ongoing claims. We are advised by the Receivers and Managers that they are actively communicating with all secured creditors in an attempt to resolve all remaining claims and expect to have resolved all claims shortly.

3.7 Related Entities

Each company within the WPG Group is related by virtue of common directorship, common shareholder and a number of inter-entity loans.

3.8 Outstanding Winding Up Applications

There were no outstanding winding up applications that had been made against the WPG Group as at the date of our appointment.

4. Books and Records & Historical Financial Performance

4.1 Summary

We have undertaken a preliminary analysis of the WPG Group's historical financial position and performance based on the information provided to us as of the date of this report.

We note that an audit of the books and records has not been conducted, nor will one be conducted during our appointment as Administrators. We are not placing reliance on the accounts provided to us, only summarising the information contained therein and making comments on items where sufficient information is available to do so.

We refer creditors to section 4.4 below regarding our opinion on the adequacy of the books and records of the WPG Group.

4.2 Historical Financial Performance

The tables below summarises each entity within the WPG Group's financial performance for FY16, FY17 and FY18 according to the respective electronic accounting files we have obtained from the Group's electronic files (in the form of trial balances). We note that the financial information for FY18 has been sourced from the unaudited management accounts. Accordingly, we are unable to verify the accuracy of same.

AUD	FY16	FY17	FY18	Total
Total Income	169,862	92,835	55,056	317,754
Total Cost of Sales	0	0	0	0
Gross Profit/(Loss)	169,862	92,835	55,056	317,754
Expenses				
Depreciation and amortisation expense	(12,373)	(13,445)	(8,625)	(34,442)
Other Expenses	(14,932,256)	(4,327,208)	(3,525,216)	(22,784,680)
Total Expenses	(14,944,629)	(4,340,653)	(3,533,840)	(22,819,122)
Net Profit/(Loss)	(14,774,767)	(4,247,817)	(3,478,784)	(22,501,368)

Our comments in regard to the financial performance of WPG Resources for the periods under review are as follows:

- ▶ WPG Resources incurred project generation costs of \$11.1m in FY16, which related to WPG Resources' intercompany loans with SCH and its previous subsidiaries Giffen Iron Pty Ltd and Spencer Gulf Ports Pty Ltd, which were not reflected correctly in WPG Resources' accounts until FY16; and
- ▶ WPG Resources incurred net losses in all three financial years under review, resulting in a total loss of \$22.5m during the period 1 July 2015 to 30 June 2018, primarily due to professional, corporate and administration services and the fact that WPG Resources did not generate significant income in its own right.

Table 7: Challenger Gold Operations Pty Ltd Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	0	77,123,494	59,826,203	136,949,697
Total Cost of Sales	0	(74,123,290)	(62,409,281)	(136,532,570)
Gross Profit/(Loss)	0	3,000,204	(2,583,077)	417,126
Expenses				
Depreciation and amortisation expense	0	(9,236,492)	(16,540,822)	(25,777,314)
Other Expenses	0	72,573	(3,371,785)	(3,299,212)
Total Expenses	0	(9,163,919)	(19,912,606)	(29,076,526)
Net Profit/(Loss)	0	(6,163,715)	(22,495,684)	(28,659,399)

Our comments in regard to the financial performance of CGO for the periods under review are as follows:

- ▶ In FY16, CGO was a 50% Joint Venture (“JV”) with Gawler acting as manager, and as such, CGO’s financials were included in Gawler’s accounts. We have not been provided with detailed consolidation information;
- ▶ CGO generated income of \$77m in FY17, which declined to \$59.8m in FY18;
- ▶ CGO’s depreciation and amortisation expense increased from \$9.2m in FY17 to \$16.5m in FY18. Total depreciation and amortisation contributed c. \$25.8m to the overall c. \$28.7m loss incurred by CGO during its trading history;
- ▶ CGO incurred net losses in both financial years under review, resulting in a total loss of \$28.7m during the period 1 July 2016 to 30 June 2018, due in large part to depreciation and amortisation expenses and high total cost of sales compared with total income.

Table 8: Tarcoola Gold Pty Ltd Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	3,433	4,314,137	28,568,021	32,885,591
Total Cost of Sales	0	(1,604,759)	(20,283,747)	(21,888,506)
Gross Profit/(Loss)	3,433	2,709,378	8,284,273	10,997,085
Expenses				
Depreciation and amortisation expense	0	(625,057)	(8,277,975)	(8,903,032)
Other Expenses	(22,283)	(631,027)	(22,668)	(675,978)
Total Expenses	(22,283)	(1,256,084)	(8,300,643)	(9,579,010)
Net Profit/(Loss)	(18,849)	1,453,294	(16,370)	1,418,075

Our comments in regard to the financial performance of Tarcoola for the periods under review are as follows:

- ▶ Tarcoola’s mining development started in early FY17 and generated income of c. \$4.3m, which increased to c. \$28.6m in FY18;
- ▶ Tarcoola generated a gross profit of c. \$2.7m in FY17 and c. \$8.3m in FY18;
- ▶ Tarcoola generated an overall net profit of c. \$1.4m during the period 1 July 2015 to 30 June 2018.

Table 9: Southern Coal Holdings Pty Ltd Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	0	0	0	0
Total Cost of Sales	0	0	0	0
Gross Profit/(Loss)	0	0	0	0
Expenses				
Depreciation and amortisation expense	(1,627)	(36)	0	(1,663)
Other Expenses	857,832	(170)	(452)	857,210
Total Expenses	856,205	(206)	(452)	855,547
Net Profit/(Loss)	856,205	(206)	(452)	855,547

Table 10: Tunkillia Gold Pty Ltd Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	1,487	(65)	621	2,042
Total Cost of Sales	0	0	0	0
Gross Profit/(Loss)	1,487	(65)	621	2,042
Expenses				
Depreciation and amortisation expense	(5,513)	0	(1,773)	(7,286)
Other Expenses	(1,044)	(33,356)	(911)	(35,311)
Total Expenses	(6,557)	(33,356)	(2,684)	(42,597)
Net Profit/(Loss)	(5,070)	(33,422)	(2,063)	(40,555)

Table 11: WPG Gawler Pty Ltd Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	1,516,291	0	0	1,516,291
Total Cost of Sales	(3,641,512)	0	0	(3,641,512)
Gross Profit/(Loss)	(2,125,221)	0	0	(2,125,221)
Expenses				
Depreciation and amortisation expense	(27,589)	0	0	(27,589)
Other Expenses	0	(100)	(13,242)	(13,342)
Total Expenses	(27,589)	(100)	(13,242)	(40,930)
Net Profit/(Loss)	(2,152,810)	(100)	(13,242)	(2,166,151)

Table 12: WPG Securities Pty Ltd Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	0	0	0	0
Total Cost of Sales	0	0	0	0
Gross Profit/(Loss)	0	0	0	0
Expenses				
Depreciation and amortisation expense	0	0	0	0
Other Expenses	(14,741)	(157,871)	29,227	(143,385)
Total Expenses	(14,741)	(157,871)	29,227	(143,385)
Net Profit/(Loss)	(14,741)	(157,871)	29,227	(143,385)

The figures in the above table are included in the consolidated profit and loss detailed in Table 13 below.

Table 13: Consolidated WPG Profit and Loss				
AUD	FY16	FY17	FY18	Total
Total Income	1,691,000	81,531,000	88,449,902	171,671,902
Production costs (including depreciation)	(3,642,000)	(85,590,000)	(107,522,223)	(196,754,223)
Gross Profit/Loss	(1,951,000)	(4,059,000)	(19,072,321)	(25,082,321)
Total Expenses	(6,331,000)	(4,997,000)	(6,896,194)	(18,224,194)
Net Profit/Loss	(8,282,000)	(9,056,000)	(25,968,515)	(43,306,515)

Our comments in regard to the financial performance of the WPG Group for the periods under review are as follows:

- ▶ The WPG Group's FY16 and FY17 consolidated profit and loss in the table above is sourced from the Annual Reports and the FY18 consolidated profit and loss is sourced from the unaudited management accounts;
- ▶ The WPG Group generated income of c. \$81.5m in FY17 compared to c. \$88.4m in FY18;
- ▶ The WPG Group's production costs increased significantly from c. \$3.6m in FY16 to c. \$85.6m in FY17 and \$107.5m in FY18, as mentioned above this is primarily in relation to increased mining and exploration costs. Production costs include depreciation and amortisation;
- ▶ Total expenses include administrative expenses, occupancy costs, exploration expenditure impaired and share based payments and totalled c. \$18.2m during the period 1 July 2015 to 30 June 2018;
- ▶ The WPG Group incurred an overall gross loss of c. \$25.1m (including depreciation and amortization) and an overall net loss of c. \$43.3m during the period 1 July 2015 to 30 June 2018.

4.3 Balance Sheet Summary

The tables below summarise the WPG Group's asset and liability positions as at 30 June 2016, 30 June 2017 and 30 June 2018. We reiterate our comments in section 4.2 above in relation to the unaudited FY18 management accounts.

We note that each entity within the WPG Group granted security in favour of BOPL in support of guarantees given by each entity in respect of the Challenger debt to BOPL. These guarantees and the associated indebtedness to BOPL are not reflected in the below Balance Sheets, other than for Challenger Gold at 30 June 2018.

AUD	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents		2,623,093	3,876,516	1,774,910
Other Current Assets	1	8,761,408	469,197	818,093
Total Current Assets		11,384,501	4,345,714	2,593,002
Non-Current Assets				
Property, plant & equipment		275,909	286,334	292,064
Other non-current assets	2	2,449,184	56,346	81,813
Total Non-Current Assets		2,725,093	342,680	373,878
Total Assets	3	14,109,594	4,688,394	2,966,880
Current Liabilities				
Trade creditors and accruals		(1,055,315)	(398,540)	(1,011,870)
Other current liabilities		(331,644)	(278,787)	(380,821)
Total Current Liabilities		(1,386,959)	(677,327)	(1,392,691)
Non-Current Liabilities				
Other non-current liabilities	4	(2,185,901)	(66,272)	(138,728)
Total Non-Current Liabilities		(2,185,901)	(66,272)	(138,728)
Total Liabilities		(3,572,860)	(743,598)	(1,531,419)
Net Asset/(Liabilities)	5	10,536,734	3,944,796	1,435,461

Our comments in regard to the financial position of WPG Resources as at the above dates are as follows:

1. Other current assets comprise of intercompany loans amounts:
 - a. As at 30 June 2016, the balance was \$8.2m made up of: Tarcoola \$3.7m, Securities \$2.3m, Gawler \$1.9m and Tunkillia \$264k. The residual balance of "other current assets comprised fuel rebates receivable and other prepayments;
 - b. As at 30 June 2017 and 30 June 2018, intercompany loans were recorded as equity in WPG Resource' balance sheet;
2. At 30 June 2016, other non-current assets primarily comprise of investment in CGO \$500k (50% of the purchase price for the JV) and the acquisition of Tunkillia for \$1.8m;
3. Total assets declined from c. \$14.1m at 30 June 2016 to c. \$3m at 30 June 2018 (due to the reclassification of intercompany loans from assets to equity);
4. Other non-current liabilities at 30 June 2016 comprised provisions for deferred acquisition payments of \$2m relating to the acquisition of Tunkillia and Tarcoola;
5. WPG Resources held a net asset surplus of c. \$10.5m at 30 June 2016, which decreased to c. \$3.9m at 30 June 2017 and again to c. \$1.4m at 30 June 2018.

Table 15: Challenger Gold Operations Pty Ltd Balance Sheet				
AUD	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents		0	5,125,362	145,781
Other Current Assets	1	0	4,996,800	6,782,915
Total Current Assets		0	10,122,162	6,928,696
Non-Current Assets				
PP&E, mine development and exploration assets	2	0	16,177,815	27,828,503
Total Non-Current Assets		0	16,177,815	27,828,503
Total Assets		0	26,299,977	34,757,199
Current Liabilities				
Trade creditors and accruals	3	0	(15,719,832)	(34,902,781)
Other current liabilities	4	0	(1,796,577)	(11,002,374)
Total Current Liabilities		0	(17,516,408)	(45,905,155)
Non-Current Liabilities				
Rehabilitation and restoration provisions	5	0	(9,097,182)	(9,119,526)
Other non-current liabilities	4	0	0	(5,570,038)
Total Non-Current Liabilities		0	(9,097,182)	(14,689,564)
Total Liabilities		0	(26,613,590)	(60,594,719)
Net Asset/(Liabilities)	6	0	(313,613)	(25,837,520)

In FY16, CGO was acquired through a 50% Joint Venture ("JV") with Gawler acting as manager, and as such, CGO's financials were included in Gawler's accounts in that year. Our comments in regard to the financial position of CGO at 30 June 2017 and 30 June 2018 are as follows:

1. Other current assets primarily comprised consumables and supplies, c. \$2.2m in FY17 and c. \$1.8m in FY18, ore stockpiles, c. \$1m in FY17 and \$3m in FY18, and gold in circuit, c. \$429k in FY17 and c. \$1m in FY18;
2. PP&E, capitalised mine development and exploration costs totalled c. \$16.2m at 30 June 2017 and c. \$27.8m at 30 June 2018. Accumulated depreciation was recognised in the amount of c. \$9.3m in FY17 and c. \$25.8m in FY18. The significant increase in FY18 is reportedly due to additional work required following the replacement of the mining contractor in August 2017;
3. The major increase in trade creditors from c. \$15.7m in FY17 to c. \$34.9m in FY18 was primarily due to the accrual of c. \$15m payable to BAPL and the remaining outstanding amount payable to Pybar of c. \$9.6m (disputed by CGO) as at 30 June 2018;
4. CGO received a \$20m secured loan from BOPL in FY18, of which \$9.5m was listed as current and \$5.5m non-current in the above table;
5. Rehabilitation and restoration provisions are based on estimates with regard to the measures and actions required to remediate land disturbed by exploration and mining activities. These provisions remained consistent during FY17 and FY18; and
6. CGO held a net asset deficit of c. \$314k at 30 June 2017, which increased to c. \$25.8m at 30 June 2018.

Table 16: Tarcoola Gold Pty Ltd Balance Sheet				
AUD	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents		2,261	919,714	83,882
Other Current Assets	1	(3,706,499)	1,993,285	3,274,292
Total Current Assets		(3,704,237)	2,912,999	3,358,174
Non-Current Assets				
Mine development	2	0	14,283,174	15,178,000
Property, plant & equipment		17,000	2,357,544	2,478,479
Other non-current assets	3	3,664,085	2,480,872	2,707,000
Total Non-Current Assets		3,681,085	19,121,589	20,363,479
Total Assets		(23,152)	22,034,588	23,721,256
Current Liabilities				
Trade creditors and accruals		0	(3,687,016)	(4,145,157)
Other current liabilities		0	(1,391,118)	(573,742)
Total Current Liabilities	4	0	(5,078,134)	(4,718,899)
Non-Current Liabilities				
Rehabilitation and restoration costs		0	(1,509,931)	(1,532,599)
Other non-current liabilities		0	(575,969)	(492,344)
Total Non-Current Liabilities	4	0	(2,085,899)	(2,024,942)
Total Liabilities	4	0	(7,164,034)	(6,743,841)
Net Asset/(Liabilities)	5	(23,152)	14,870,554	16,977,415

Our comments in regard to the financial position of Tarcoola as at the above dates are as follows:

1. Intercompany loans at 30 June 2016 comprised amounts outstanding to WPG Resources of \$3.7m (recorded as a negative asset). Other current assets primarily comprised ore stockpiles of \$1.6m in FY17 and \$2.7m in FY18;
2. Tarcoola's mine development commenced in late 2016 with c. \$14.3m of mining development capitalised in FY17. This increased slightly to c. \$15.2m in FY18, due to Tarcoola's pit requiring a pushback, increasing the width of the pit for no/minimal gold;
3. Tarcoola's capitalised exploration costs were \$3.5m in FY16 and \$1.6m in FY17;
4. Tarcoola started mine development in late 2016, trade creditors, rehabilitation costs, etc. began to accrue during FY17. Total liabilities remained relatively consistent during FY17 and FY18.; and
5. Tarcoola held a net asset surplus of c. \$14.9m at 30 June 2017, which increased to c. \$17m at 30 June 2018.

Table 17: Southern Coal Holdings Pty Ltd Balance Sheet				
AUD	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents		1,260	2,950	1,592
Other Current Assets		2	2	2
Total Current Assets		1,261	2,952	1,593
Non-Current Assets				
Mine development		0	0	0
Property, plant & equipment		12,190	11,008	11,008
Other non-current assets	1	230,411	272,297	301,094
Total Non-Current Assets		242,601	283,306	312,102
Total Assets		243,863	286,257	313,695
Current Liabilities				
Trade creditors and accruals		0	0	0
Other current liabilities		0	0	0
Total Current Liabilities		0	0	0
Non-Current Liabilities				
Rehabilitation and restoration costs		0	0	0
Other non-current liabilities		0	0	0
Total Non-Current Liabilities		0	0	0
Total Liabilities		0	0	0
Net Asset/(Liabilities)	2,3	243,863	286,257	313,695

Our comments in regard to the financial position of SCH as at the above dates are as follows:

1. SCH's capitalised exploration totalled \$230k in FY16, \$272k in FY17 and \$301k in FY18;
and
2. SCH held a net asset surplus of \$244k at 30 June 2016, which increased to \$286k at 30 June 2017 and to \$314k at 30 June 2018.

Table 18: Tunkillia Gold Pty Ltd Balance Sheet				
AUD	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents		737	371	1,101
Other Current Assets	1	(263,774)	15	(59)
Total Current Assets		(263,036)	386	1,042
Non-Current Assets				
Mine development		0	0	0
Property, plant & equipment		40,928	40,928	40,928
Other non-current assets	2	4,479,934	4,615,917	4,715,143
Total Non-Current Assets		4,520,862	4,656,845	4,756,071
Total Assets		4,257,826	4,657,231	4,757,113
Current Liabilities				
Trade creditors and accruals		0	0	0
Other current liabilities		0	0	0
Total Current Liabilities		0	0	0
Non-Current Liabilities				
Rehabilitation and restoration costs		0	0	0
Other non-current liabilities		(126,810)	(147,818)	(147,818)
Total Non-Current Liabilities		(126,810)	(147,818)	(147,818)
Total Liabilities		(126,810)	(147,818)	(147,818)
Net Asset/(Liabilities)	3	4,131,015	4,509,413	4,609,296

Our comments in regard to the financial position of Tunkillia as at the above dates are as follows:

1. Intercompany loans at 30 June 2016 comprised an amount outstanding to WPG Resources of \$264k (listed as a negative asset in Tunkillia's financials);
2. Tunkillia's capitalised exploration costs totalled c. \$4.5m at 30 June 2016, c. \$4.6m at 30 June 2017 and c. \$4.7m at 30 June 2018.

Table 19: WPG Securities Pty Ltd Balance Sheet				
AUD	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents		0	0	0
Other Current Assets	1	(2,302,151)	1	1
Total Current Assets		(2,302,151)	1	1
Non-Current Assets				
Mine development		0	0	0
Property, plant & equipment		0	0	0
Other non-current assets	2	73,703	215,280	244,762
Total Non-Current Assets		73,703	215,280	244,762
Total Assets		(2,228,448)	215,281	244,763
Current Liabilities				
Trade creditors and accruals		0	0	0
Other current liabilities		0	0	0
Total Current Liabilities		0	0	0
Non-Current Liabilities				
Rehabilitation and restoration costs		0	0	0
Other non-current liabilities		0	0	0
Total Non-Current Liabilities		0	0	0
Total Liabilities		0	0	0
Net Asset/(Liabilities)	3	(2,228,448)	215,281	244,763

Our comments in regard to the financial position of Securities as at the above dates are as follows:

1. Intercompany loans at 30 June 2016 comprised amounts outstanding to WPG Resources of \$2.3m; and
2. Securities' investment in Redstone Resources was \$73k at 30 June 2016, which increased to \$96k at 30 June 2018. Securities' investment in Tyranna Resources was c. \$149k at 30 June 2017 and 30 June 2018; and
3. Securities held a net asset deficiency of c. \$2.2m at 30 June 2016 (due to the recording of the intercompany loan) and a net asset surplus of c. \$215k at 30 June 2017 and c. \$245k at 30 June 2018.

Table 20: WPG Gawler Pty Ltd Balance Sheet				
AUD	Notes	FY16	FY17	FY18
Current Assets	1			
Cash & Cash Equivalents		1,985,478	4,492	3,978
Other current assets	2	2,924,671	0	0
Total Current Assets		4,910,149	4,492	3,978
Non-Current Assets				
Mine development		0	0	0
Property, plant & equipment		353,667	0	0
Other non-current assets	3	2,179,072	0	0
Total Non-Current Assets		2,532,738	0	0
Total Assets		7,442,887	4,492	3,978
Current Liabilities				
Trade creditors and accruals		(5,163,654)	0	(4,953)
Other current liabilities		(164,690)	0	0
Total Current Liabilities		(5,328,344)	0	(4,953)
Non-Current Liabilities				
Rehabilitation and restoration costs	4	(3,767,357)	0	0
Other non-current liabilities		0	0	0
Total Non-Current Liabilities		(3,767,357)	0	0
Total Liabilities		(9,095,700)	0	(4,953)
Net Asset/(Liabilities)	5	(1,652,813)	4,492	(975)

Our comments in regard to the financial position of Gawler as at the above dates are as follows:

1. In FY16 Gawler was acting as manager for the 50% JV for CGO and as such, CGO's financials are included in the numbers above in FY16;
2. Other current assets in FY16 primarily comprise of inventory, stock and finished goods totalling c. \$2.9m;
3. In FY16 Gawler's capitalised exploration costs were \$821k and tenement security deposits were \$1.4m;
4. Gawler's rehabilitation and restoration costs were \$3.8m in FY16; and
5. Gawler held a net asset deficit of c. \$1.7m at 30 June 2016, which increased to a surplus of c. \$4.5k at 30 June 2017 and a deficit of c. \$1k at 30 June 2018.

In order to provide creditors with an understanding of the overall position of the WPG Group, we provide in the table below a consolidated WPG Group balance sheet.

Table 21: the WPG Group Balance Sheet				
AUD (\$000)	Notes	FY16	FY17	FY18
Current Assets				
Cash & Cash Equivalents	1	4,613	9,929	2,011
Trade and other receivables	2	1,203	1,916	2,060
Inventories	3	3,243	5,209	8,815
Other financial instruments	4	74	523	0
Total Current Assets		9,133	17,577	12,886
Non-Current Assets				
Other financial assets	4	1,605	2,137	351
PP&E, mine development and exploration assets	5	7,463	36,237	51,295
Total Non-Current Assets		9,068	38,374	51,646
Total Assets		18,201	55,951	64,532
Current Liabilities				
Trade and other payables	6	(5,474)	(21,376)	(41,438)
Provisions	7	(1,423)	(1,903)	(1,061)
Borrowings	8	0	0	(9,500)
Total Current Liabilities		(6,897)	(23,279)	(51,999)
Non-Current Liabilities				
Provisions	9	(4,930)	(11,269)	(11,501)
Non-Current loans	10	0	0	(5,500)
Total Non-Current Liabilities		(4,930)	(11,269)	(17,001)
Total Liabilities		(11,827)	(34,548)	(69,000)
Net Asset/(Liabilities)	11	6,374	21,403	(4,468)

The WPG Group's balance sheet for FY16 and FY17 were sourced from the WPG Group's Annual Reports and the FY18 balance sheet is sourced from the unaudited consolidated management accounts. Our comments in regard to the financial position of the WPG Group as at the above dates are as follows:

1. The WPG Group's cash at bank decreased from c. \$9.9m at 30 June 2017 to c. \$2m at 30 June 2018, with the majority being held by WPG Resources (c. \$1.8m);
2. Trade receivables totalled c. \$375k at 30 June 2016, c. \$315k at 30 June 2017 and c. \$76k at 30 June 2018. Other receivables comprised of GST and diesel fuel rebates yet to be received;
3. Inventories comprised store and consumables, run of mine ore, gold ore and gold in circuit. Inventories increased from c. \$3.2m at 30 June 2016 to c. \$8.8m at 30 June 2018;
4. Current other financial assets comprised commodity put options and other financial assets measured at fair value. Non-current other financial assets comprised tenement security deposits and other deposits paid;
5. The WPG Group's PP&E, capitalised mine development and exploration assets increased significantly between FY16 and FY18, due to the acquisition of CGO and Tarcoola mines and subsequent mine development work undertaken at each site. At 30 June 2017, these assets were recorded at c. \$36.2m, which increased to c. \$51.3m at 30 June 2018;

6. The WPG Group's trade and other payables totalled c. \$41.4m at 30 June 2018, having increased from c. \$21.3m at 30 June 2017. The majority of the increase is attributable to the ongoing dispute between CGO and Pybar and the accrual of c. \$15m outstanding to BAPL following the transition of mining contractors at CGO;
7. Current provisions comprise employee entitlements and "deferred acquisition cost", explained in the WPG Group's financial reports as the probability weighted discounted valuation of the contingent milestone payments that may become due and payable under the acquisition in respect of the Tarcoola and Tunkillia projects. These amounts remained relatively consistent during FY16 - FY18;
8. Current borrowings in FY18 comprise of the amount payable to BOPL in the next 12 months, totalling \$9.5m at 30 June 2018;
9. Non-current provisions comprise mine rehabilitation and restoration costs, premises make good, employee entitlements and deferred acquisition costs. Of the amounts at 30 June 2017 and 30 June 2018, c. \$10.6m relates to rehabilitation and restoration costs;
10. Non-current borrowings in FY18 comprise the amount payable to BOPL due after the end of FY19, totalling \$5.5m at 30 June 2018; and
11. The WPG Group recorded a net asset surplus of c. \$6.4m at 30 June 2016 and c. \$21.4m at 30 June 2017, reducing to a deficit in FY18 of c. \$4.5m. The most significant contributor to the asset deficiency in FY18 is the c. \$29m increase in current liabilities. The majority of the increase is attributable to the ongoing dispute between CGO and Pybar (c. \$9.5m claimed by Pybar) and the accrual of c. \$15m outstanding to BAPL following the transition of mining contractors at CGO.

4.4 Books and Records – Quality of Financial Information

Creditors should be aware that an administrator is required to make an assessment of the quantum and quality of the books and records held by a company. Pursuant to section 286(1) of the Act, a company must keep written financial records that:

- a) correctly record and explain its transactions and financial position and performance, and
- b) would enable true and fair financial statements to be prepared and audited.

Our comments regarding the WPG Group's books and records are as follows:

- ▶ There were two separate accounting software suites used by the WPG Group; and
- ▶ The WPG Group's consolidated financial statements were prepared and maintained manually in excel.

Based on our preliminary review of the available records, it is our opinion that, in accordance with section 286(1) of the Act, the WPG Group maintained sufficient books and records which would enable its financial performance and position to be determined.

Should the entities within the WPG Group be wound up at the forthcoming meeting of creditors, during the course of our investigations as liquidators we intend to finalise our assessment of the quantum and quality of the books and records and report deficiencies (if any) in the books and records to the ASIC.

5. Reasons for Administration

5.1 Directors' Reasons for the Administration

Upon our appointment we provided the Directors with a questionnaire in respect to the WPG Group's background and reasons for its financial difficulties. We have since been provided with a completed questionnaire from the Directors of the WPG Group.

The reasons provided by the Directors as to the causes of the WPG Group's failure are as follows:

- ▶ Previous contract miner's consistent underperformance from May 2016 to August 2017; and
- ▶ Costs exceeding revenue.

5.2 Administrators' Reasons for the Administration

Based on our investigations conducted during the voluntary administration period, we have no reason to dispute that the Directors' reasons for the financial difficulties of the WPG Group contributed to its failure, noting our earlier comments in relation to the legal proceedings on foot between Pybar and Challenger.

In addition to the Directors' reasons for the WPG Group's failure, our assessment of the WPG Group's financial affairs and operating history highlighted the following key conditions, circumstances and events which led to our appointment as Voluntary Administrators on 30 July 2018.

5.2.1 Ongoing underperformance at CGO

- ▶ CGO incurred cumulative losses of c. \$28.7m during the period 1 July 16 to 30 June 18.
- ▶ The Board's explanation for the underperformance of CGO include the failure to achieve the anticipated grade, ageing plant and equipment and delays as a result of the dispute with Pybar and associated changeover of services to BAPL.
- ▶ A summary of the underperformance to budget during FY18 at CGO is provided in the below table, resulting in a shortfall to budget of c. \$26.8m based on an average gold price of \$1,650/oz.

Month	Budget gold (oz)	Actual gold (oz)	Variance gold (oz)	\$ impact (at \$1,650/oz)
July 2017	2,855	2,200	(655)	(1,080,750)
August 2017	3,374	2,011	(1,363)	(2,248,950)
September 2017	5,192	4,357	(835)	(1,377,750)
October 2017	5,582	3,478	(2,104)	(3,471,600)
November 2017	5,105	2,505	(2,600)	(4,290,000)
December 2017	4,548	2,314	(2,234)	(3,686,100)
January 2018	4,508	3,385	(1,123)	(1,852,950)
March 2018	4,253	2,340	(1,913)	(3,156,450)
April 2018	4,642	3,586	(1,056)	(1,742,400)
May 2018	5,255	3,743	(1,512)	(2,494,800)
June 2018	5,543	4,699	(844)	(1,392,600)

Total	50,857	34,618	(16,239)	(26,794,350)
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5.2.2 Delays in accessing Challenger Deeps

- ▶ As above, CGO commenced testing in relation to mining activities in Challenger Deeps in 2017.
- ▶ Challenger Deeps is an unmined area which was anticipated to hold significantly higher quality ore than that found at the CGO underground mine. Management expressed their desire to commence mining at this site in order to assist the financial position of the Group. Mining did not commence in any major capacity at Challenger Deeps prior to our appointment.
- ▶ Given the issues outlined in section 5.2.1 surrounding the ongoing underperformance of CGO, in our opinion, the failure to fast track mining operations at Challenger Deeps contributed to the failure of the WPG Group.

5.2.3 Failure to execute on recapitalisation plan

- ▶ As detailed in section 3 above, the WPG Group secured \$20m of funding from BOPL in December 2017 to fund working capital requirements.
- ▶ Our analysis indicates these funds were exhausted on or around 1 May 2018, predominantly as a result of the underperformance of CGO as per section 5.2.1 above.
- ▶ In May and June 2018, the WPG Group entered discussions with BOPL and BAPL regarding an agreement to forbear on enforcement relating to the amounts outstanding to BOPL and BAPL. The terms of this forbearance are discussed in more detail in section 8 below.
- ▶ On 28 June, a forbearance term sheet was signed to allow the WPG Group to pursue and obtain funding from a new investor. The forbearance included a debt to equity swap relating to BOPL's claim and debt forgiveness of \$10m outstanding to BAPL.
- ▶ The WPG Group was ultimately unable to secure funding from a new investor, which resulted in the automatic termination of forbearance and appointment of Voluntary Administrators on 30 July 2018.
- ▶ The failure to execute on the recapitalisation plan was, in our opinion, a significant factor in the failure of the WPG Group.

Should the WPG Group companies be wound up at the forthcoming meeting of creditors, as liquidators, we will conduct further detailed investigations in to the circumstances leading to the WPG Group's failure and report our findings to ASIC pursuant to section 533 of the Act and in future reports to creditors.

6. Administrators' Actions Since Appointment

6.1 Summary of Tasks Undertaken During the Voluntary Administration Period

Following our appointment as Administrators, we undertook all statutory obligations in accordance with the Act which primarily included correspondence with creditors, their legal representatives, the directors of the WPG Group, ASIC, and preliminary investigations into the operational and financial affairs of the WPG Group. Activities undertaken included:

- ▶ preparation of statutory lodgments and initial enquiry letters in respect of our appointment;
- ▶ correspondence to all creditors with registration on the PPSR;
- ▶ received and responded to ongoing creditor enquiries;
- ▶ corresponding with key suppliers and stakeholders to establish trading procedures during the Voluntary Administration;
- ▶ secured the WPG Group premises, inventory, plant and equipment located at both mine sites at CGO and Tarcoola which included:
 - ▶ retained staff to attend to ongoing trading;
 - ▶ obtained all keys and access codes for the SA sites;
 - ▶ engaged Pickles Advisory to undertake a valuation of the WPG Group's assets;
 - ▶ arranged insurance of assets and trading;
 - ▶ maintained ongoing alarm and fire security measures;
 - ▶ engaged Occupational Health and Safety assessments;
- ▶ engaged legal advisors to provide support in relation to legal and contractual matters;
- ▶ continued to trade the CGO and Tarcoola mines during the period 30 June 2018 to 8 August 2018, facilitated the hand-over of trading to the Receivers and Managers on site on 8 and 9 August 2018;
- ▶ continued to liaise with the Receivers and Managers regarding ongoing trading, the payment of invoices and other general enquiries following their appointment;
- ▶ engaged in discussions and email correspondence with the Directors in relation to insolvency, safe harbor, legal advice received and proposal(s) for a DOCA;
- ▶ undertook preliminary investigations into insolvent trading and voidable transactions;
- ▶ organised IT consultants to take a forensic image of the WPG Group's electronic records;
- ▶ obtained and reviewed the WPG Group's electronic and hard copy books and records, undertook an analysis of the WPG Group's historical financial position and performance;
- ▶ convened the first concurrent meeting of creditors of the WPG Group;
- ▶ sought and obtained two extensions of the convening period and communicated with creditors and shareholders regarding same;
- ▶ sought and obtained reporting relief and an extension of time to convene the Annual General Meeting of WPG Resources Ltd;
- ▶ convened and held three meetings of the COIs;
- ▶ prepared s439A report to creditors; and
- ▶ significant liaison with the Receivers regarding employee entitlements and cash held etc.

Investigative activities undertaken include:

- ▶ Requesting and reviewing books and records of the WPG Group;
- ▶ Analysing financial information provided by the WPG Group including creditor and debtor listings, bank statements, unaudited management accounts, trial balances, lease documentation;
- ▶ Attending the premises for meetings with management and key employees;
- ▶ Reviewing possible preference payments to creditors, insolvent trading and review related party loans and documentation;
- ▶ Reviewing report as to affairs and questionnaires produced by directors;
- ▶ Reviewing legal documentation and documents provided by the Directors regarding solvency advice, forbearance agreements and the ongoing dispute with Pybar; and
- ▶ Requesting and reviewing historic solvency advice received from the WPG Group's lawyers.

6.2 Appointment of Receivers and Managers

At 10:00am on 8 August 2018, Mr Greg Dudley, Mr Richard Stone & Mr Jonathon Colbran of RSM Australia Pty Ltd were appointed as Receivers and Managers of the WPG Group.

6.2.1 Receivers and Managers' update provided on 7 November 2018:

The Receivers advised the following as at 7 November 2018:

- ▶ Mining operations at Tarcoola came to an end on 24 September 2018;
- ▶ All staff and contractors were demobilized from the Tarcoola site by 19 October 2018;
- ▶ The Tarcoola mine has been in care and maintenance under the daily control of two people located at the CGO mine site;
- ▶ SA Mining Services Pty Ltd were engaged to manage the care and maintenance at both the Tarcoola and CGO mine sites;
- ▶ The Receivers were in regular communication with the Department of Energy and Mining regarding the ongoing program and Program for Environment Protection and Rehabilitation obligations;
- ▶ Mining operations at CGO came to an end on 8 October 2018;
- ▶ All staff and contractors were demobilized from the CGO site by 25 October 2018, aside from the two SA Mining Services Pty Ltd personnel;
- ▶ Gates had been installed at CGO to secure the site, together with pit access being restricted with bunds installed at each decline;
- ▶ All employees (save for one) had been given their termination notices and the majority of same had been paid their outstanding entitlements;
- ▶ The Receivers and Managers engaged Argonaut Capital Limited on 18 September 2018 to a consulting role to provide strategic advice regarding the cultivating and implementation of a realisation and/or recapitalisation of the WPG Group's assets;
- ▶ The Receivers and Managers sought expressions of interest from various parties for the acquisition of some of the Group's assets. In conjunction with Argonaut Capital Limited, a limited data room was formulated to assist with preliminary due diligence;
- ▶ The Receivers and Managers provided access to the limited data room to over 20 prospects during stage 1 marketing initiatives, and expected a DOCA may be a realistic option in respect of at least WPG Resources;

- ▶ Stage 2 marketing initiatives commenced on or around 5 November 2018 with expressions of interest (“EOI”) to be submitted by 4 December 2018. The Receivers and Managers advertised the offering in the Adelaide Advertiser on 6 November 2018; and
- ▶ Following the EOI expiry date the Receivers and Managers intended to short list prospects to engage in further discussions regarding the sale, arrange for site inspections and undertake due diligence.

6.2.2 Receivers and Managers’ update provided on 21 December 2018:

The Receivers advised the following as at 21 December 2018:

- ▶ The EOI period had closed and the Receivers were continuing to negotiate with a number of parties with respect to all assets of the WPG Group;
- ▶ Negotiations regarding the sale were expected to run into January 2019 due to complexities however the Receivers noted that negotiations were advanced;
- ▶ The Receivers advised that they anticipated a DOCA would be proposed in relation to WPG Resources, however were not in a position to provide further details at that date. The Receivers were unaware as to whether a DOCA would be proposed in relation to the remaining WPG Group entities; and
- ▶ The SA Government was across the status and actively engaged in the process.

6.2.3 Receivers and Managers’ update provided on 20 February 2019:

The Receivers advised the following (as part of their Affidavit in support of a further extension to the convening period) on 20 February 2019:

- ▶ The Receivers’ efforts to formalise transactions relating to the WPG Group’s property were ongoing;
- ▶ A number of non-binding EOIs and offers had been received from interested parties;
- ▶ A number of issues had resulted in delays to the sale process, including the location of the mining assets in the Woomera Prohibited Area, bonding requirements involving the South Australian Government, the process of obtaining expert reports in relation to the ore reserves known as “Challenger Deeps”, the Christmas and New Year shutdown and an extension to the timeframe for EOIs following a recommendation from the party tasked with running the marketing campaign; and
- ▶ In the Receivers’ opinion, a further extension to the convening period would provide the only realistic chance of achieving any transactions that would allow all or part of the WPG Group’s businesses to continue in existence.

6.3 Extensions of the convening period

The Administrators made a formal request to extend the convening period of the WPG Group by up to 6 months to provide adequate time for the Administrators to undertake and conclude negotiations with potential DOCA proponents, avoid the value destruction which is expected to be inherent in the immediate liquidation of the WPG Group and maximise the value of the WPG Group’s assets available for the benefit of creditors, which was being facilitated by the Receivers and Managers as above.

The Administrators sought orders from the Supreme Court of New South Wales on 23 August 2018 to extend the convening period for the WPG Group and were subsequently granted an extension of the convening period to 28 February 2019.

During February 2019, we were advised by the Receivers (as per section 6.2.3 above) that the sale campaign would not be finalised prior to the end of the extended convening period. During late February 2019, we sought orders from the Supreme Court of New South Wales to extend the convening period for the WPG Group and were subsequently granted an extension of the convening period to 29 April 2019. We issued correspondence to all creditors advising of the further extension and caused a notice to be published on the ASX and the WPG Group's websites regarding the further extension.

In March 2019, we were notified by the Receivers that they had been unsuccessful in reaching an agreement with prospective purchasers of the WPG Group's business and assets. We expect the Receivers will be pursuing with an asset sale program to recover whatever value is remaining in the WPG Group's assets. Given this process is unlikely to involve a DOCA proposal for the WPG Group in its entirety and may not involve the transfer of mining leases, we do not believe there is any reason to further delay the second meeting of creditors.

7. Current Financial Position of the WPG Group

Section 438B(2) of the Act requires that the Directors provide a statement to the administrators, in the form of a RATA, regarding each company within the WPG Group's business, property, affairs and financial circumstances, within five (5) business days of the date of appointment of the administrators, or such longer period as the administrators may allow.

We have received a completed Report as to Affairs ("RATA") for all entities within the WPG Group. Based on the information contained within the WPG Group's books and records and our investigations to date, we provide the following analysis of the WPG Group's estimated asset and liability position as at the date of our appointment.

Column one (1) sets out the Directors' estimated realisable value ("ERV") of each entity within the WPG Group's assets and the estimated amount of the WPG Group's liabilities as at 30 July 2018 according to the Directors' RATA. Column two (2) has been prepared by us as Administrators and sets out our preliminary ERV of the WPG Group's assets and our understanding of the likely liabilities as at the date of our appointment. Each asset and liability class is discussed in further detail under the relevant headings below. We have withheld asset values where they are commercially sensitive given the ongoing sale campaign being undertaken by the Receivers.

We provide in table 23 below a consolidated WPG Group position according the Directors' RATA (1) and our ERV (2) at the date of our appointment.

Table 23: WPG Group Consolidated			
AUD (\$m)	Notes	Directors' ERV (1) (\$m)	Administrators' ERV (2) (\$m)
		30-Jul-18	
Cash at bank	7.1	6.1	6.1
Interests in land (including capitalised mine development)	7.2	39.4	Withheld*
Sundry Debtors	7.3	33.5	3.2
Stock	7.4	6.2	4.4
Plant & Equipment	7.5	10.0	Withheld*
Other Assets		4.6	Withheld*
Total Assets		99.8	13.7+
Claims by secured creditors	7.6	16.9	16.8+
Claims by Employees	7.7	2.7	-
Unsecured Creditors	7.8	76.8	49.2
Total liabilities		96.4	66.0+
Net Surplus/(Deficiency)		3.4	(52.3+)

* Withheld on the basis that the information is commercially sensitive given the ongoing asset sale campaign to be undertaken by the Receivers.

7.1 Cash at Bank

The Directors advised that the WPG Group held \$6.1m cash at bank at the date of our appointment (see table 24 below). Following our appointment, we conducted a search of Australian deposit taking institutions to determine if any funds remained on deposit in WPG Group's name. This search revealed no additional bank accounts in the WPG Group's names that were not disclosed by the Directors in their RATA.

AUD	Directors' ERV (1)	Administrators' ERV (2)
WPG Resources	6,039,236	6,038,333
CGO	47,787	47,787
WPG Gawler	17,452	17,452
Southern Coal	1,582	1,582
Tarcoola	34,973	34,973
Tunkillia	917	927
WPG Securities	0	0
Total Cash at Bank	6,141,947	6,141,054

Since the date of our appointment, we have transferred funds totalling \$9,032,362.86 to the Receivers and Managers, which includes initial cash at bank balances, pre-appointment debtor and trading receipts, less costs as agreed with BOPL and the Receivers.

Receipts and payments summaries are attached to this report as Appendix D.

7.2 Interests in Land

The Directors advised that the WPG Group held interests in land valued at \$39.4m, as follows

AUD	Directors' ERV (1)	Administrators' ERV (2)	Comments
WPG Resources	300,000	Withheld	Exploration asset - cost plus drilling
CGO	18,300,000	Withheld	Intangible asset of the underground mine - cost of land plus development costs
Tarcoola	15,800,000	Withheld	Intangible asset of the open pit mine - cost of land plus development costs
Southern Coal	300,000	Withheld	Exploration asset - cost plus drilling
Tunkillia	4,700,000	Withheld	Exploration asset - cost plus drilling
Total Interests in Land	39,400,000	Withheld	

We have withheld our estimate of the realisable value of the WPG Group's interests in land as it is commercially sensitive given the ongoing sale campaign being undertaken by the Receivers.

7.3 Debtors

The Directors' RATA disclosed debtors with a value of \$33.5m as detailed in the table below. The Directors advised that these are predominately intercompany loans.

AUD ('000)	Directors' ERV (1)	Administrators' ERV (2)
WPG Resources	26.7	0.0
CGO	3.8	0.0
Tarcoola	0.0	0.0
WPG Gawler	3.0	3.2
Southern Coal	0.0	0.0
Tunkillia	0.0	0.0
WPG Securities	0.0	0.0
Total Debtors	33.5	3.2

The WPG Group's accounts at 30 July 2018 revealed a number of intercompany loans between the companies in the WPG Group and WPG Resources. Our investigations indicate that the Directors would transfer funds between the companies within the WPG Group depending on which company required funds and that each transfer would be recognised as a loan in the relevant company's accounting software. Given all WPG Group companies are in Administration and therefore not in a position to repay intercompany loans, these loans are not recoverable.

AUD	WPG Resources Limited
WPG Gawler Pty Ltd	(2,165,426)
WPG Securities Pty Ltd	(2,601,855)
Southern Coal Holdings Pty Ltd	(70,740)
Challenger Gold Operations Pty Ltd	(2,321,879)
Tarcoola Gold Pty Ltd	(16,120,663)
Tunkillia Gold Pty Ltd	(513,634)
Total	(23,794,197)

The amount of c. \$3.2m listed in column 2 of Table 26 above relates to revenue received from a pre-appointment gold pour that had not been received at the date of our appointment. These funds were recovered in full.

7.4 Stock

The Directors' RATA disclosed stock on hand with a written down value of \$6.2m. CGO had recorded \$4.1m of stock, comprised of \$2.1m of stores inventory, \$1.1m of broken ore stocks and \$741k of gold in circuit. Tarcoola has recorded \$2.1m of stock, comprised of \$103k of stores inventory, \$546k of broken ore stocks, \$1.3m of run of mine ore stock and \$144k of gold in circuit.

AUD ('000)	Directors' ERV (1)	Administrators' ERV (2)
Challenger Gold Operations	4.1	2.86
Tarcoola Gold	2.1	1.54
Total Stock	6.2	4.40

Following our appointment on 30 July 2018, we continued the WPG Group's trading operations, which included the realisation of ore stock and gold in circuit, until 8 August 2018 following the appointment of the Receivers. During the period in which we were appointed, we did not conduct a stock take of the ore stock however have no reason to dispute the Director's ERV of the stock on hand relating to stores inventory, gold in circuit and run of mine ore stock. It is likely that the gold in circuit totalling \$855k was realised during our appointment, during which time two gold pours resulting in c. \$6m of revenue were undertaken.

We have not attributed a value to the broken ore stocks listed by the Directors in the amount of c. \$1.6m as we are unaware as to whether these were realised during the Receivers' appointment and if they were not, would hold minimal realisable value now.

7.5 Plant and Equipment

The Directors' RATA disclosed plant and equipment with a written down value of \$10m (see table 28 below) which comprises of the processing plant at CGO (grinding, crusher, gold recovery), mine site buildings, various tools and motor vehicles.

Following our appointment, we engaged Pickles Advisory to conduct a valuation of the P&E, however, upon the appointment of the Receivers and Managers on 8 August 2018, we were no longer involved in the valuation or sale of the WPG Group's P&E.

AUD ('000)	Directors' ERV (1)	Administrators' ERV (2)
Challenger Gold Operations	8.5	Withheld
Tarcoola Gold	1.5	Withheld
Total P&E	10.0	Withheld

We have withheld our estimate of the realisable value of the WPG Group's P&E as it is commercially sensitive given the ongoing sale campaign being undertaken by the Receivers and Managers.

7.6 Secured Creditors

The Directors' RATAs state that the WPG Group is subject to a security interests totalling \$16.9m, the majority of which related to CGO. A search of the Personal Property Securities Register ("PPSR") indicates that BOPL and Minister for Mineral Resources and Energy both hold security

interests over the whole or substantially the whole of the WPG Group's property. We also note that, in addition to the ALLPAAP security interest, BAPL holds a number of registrations over motor vehicles owned by CGO.

The Minister for Mineral Resources and Energy has submitted a secured claim in the amount of \$2.6m against the WPG Group. BOPL has submitted a secured claim in the amount of \$14.2m for the group. It is our understanding that the proceeds from the Receivers' sale campaign will not be sufficient to discharge the Minister for Mineral Resources and Energy and BOPL's secured debts in full.

A significant number of creditors held registered retention of title (PMSI) claims over various assets of the WPG Group. During the period in which we traded the WPG Group's business, we liaised with a number of these creditors, facilitated stock takes (where stock was identified) and facilitated payments for the stock on hand as at the date of our appointment. Following the appointment of the Receivers and Managers on 8 August 2018, this task was no longer in our control and we advised all secured creditors of same on that date. We are advised by the Receivers and Managers that they are actively communicating with all secured creditors in an attempt to resolve all claims.

Any secured creditors with residual claims are entitled to claim as unsecured creditors in the Administration of the WPG Group.

7.7 Preferred Creditors

The Directors advised that the Company had outstanding employee entitlement totalling \$2.7m comprising of wages, annual leave, long service leave, time in lieu ('TIL'), superannuation and redundancy.

We are advised that as at 20 February 2019, the Receivers and Managers had discharged substantially all of the entitlements owing to the WPG Group's employees (c. \$3m). Accordingly, we do not propose to provide further details in regarding to employee entitlements. Any former employee who is of the opinion that they are owed outstanding employment-related entitlements should contact the Receivers and Managers.

7.8 Unsecured Creditors

The Directors disclosed unsecured creditors totalling \$76.8m in their RATA. This amount comprised trade creditors, accrued expenses, and royalties and provisions for mine rehabilitation. As at the date of this report, we have received claims from unsecured trade creditors totalling \$49.2m (we note that this does not relate to any provisions in relation to mine rehabilitation or accruals). We further note that a number of unsecured creditors are yet to submit a formal POD with our office and as such, the total amount is likely to be higher than stated in this report.

A POD is attached at Appendix C to this report for completion and return to our office if you have not already done so, or if particulars of your debt have changed.

8. Administrators' Investigations

As Administrators, we are required to investigate the WPG Group's business, property, affairs and financial circumstances with a view to forming an opinion as to the course of action which would be in the best interests of creditors generally. Our recommendation is provided at Section 9 of this report.

In addition, we are required to investigate and identify any offences and recovery (including voidable transactions and/or insolvent trading) actions which may lead to a recovery of funds by a Liquidator (if appointed) for the benefit of creditors.

It should be noted that these investigations are preliminary and if a Liquidator is appointed to the WPG Group, further investigations may be undertaken. We have reviewed the books and records of the WPG Group and undertaken a number of searches to determine whether any additional assets exist that were not listed in those records.

These searches included, but were not limited to:

- ▶ ASIC Historical Company Extract of the companies within the WPG Group;
- ▶ ASIC Director Name Searches;
- ▶ PPSR Search by A.C.N, A.B.N and in the name of the companies within the WPG Group;
- ▶ Bank account searches with all major banks; and
- ▶ Current Land Title Search of the WPG Group and Directors.

In conducting our investigations into insolvent trading and voidable transactions which may be recovered in a liquidation scenario, amongst other items, we have reviewed the following books and records of the WPG Group and third-party information (where applicable):

- ▶ historical financial records for the period 1 July 2015 to 30 June 2018;
- ▶ general ledger and journal details obtained from the WPG Group's electronic records for the period July 2015 to July 2018;
- ▶ bank statements (where available) for the previous twelve (12) months;
- ▶ intercompany loan ledgers;
- ▶ trade creditor correspondence and account statements;
- ▶ particulars of debt forms received from creditors;
- ▶ the WPG Group's historical tax affairs; and
- ▶ contracts and other legal documentation.

8.1 Voidable Transactions

In circumstances where a liquidator is appointed he or she may be able to recover certain payments or dispositions of property that appear to the liquidator to be voidable transactions pursuant to Part 5.7B of the Act.

Voidable transactions include:

- ▶ unfair preferences – being payments made to one or more creditors in preference to the wider body of creditors;
- ▶ uncommercial transactions – being transactions that a reasonable person would not have entered into having regard to the benefit (if any) and detriment to the company of entering into the transaction and the benefit to other parties of entering into the transaction; and
- ▶ unfair loans – being loans where the applicable interest rate or charges that relate to the loan are extortionate.

8.1.1 Unfair preferences

Pursuant to section 588FA of the Act, a transaction is an unfair preference if:

- a) the company and the creditor are parties to the transaction; and
- b) the transaction results in the creditor receiving from the company, in respect of an unsecured debt that the company owes to the creditor, more than the creditor would receive from the company in respect of the debt if the transaction were set aside and the creditor were to prove for the debt in the winding up of the company.

If such a transaction is an insolvent transaction and was entered into by the company with a creditor within six (6) months of commencement of the winding up (“relation-back period”), being the period 31 January 2018 to 30 July 2018, it may be voidable and therefore recoverable by a liquidator under section 588FE(2) of the Act. Where a related entity is a party to the transaction, the relation-back period is four (4) years, being the period 31 July 2014 to 30 July 2018.

To be recoverable, the following circumstances must have existed at the time the unfair preference transaction was entered into:

- ▶ the company is insolvent or becomes insolvent at the time of entering into the transaction;
- ▶ the transaction was entered into during the relation-back period;
- ▶ the transaction results in the creditor receiving from the company more than the creditor would receive from the company in respect to the debt in a winding up;
- ▶ a reasonable person in the creditor’s circumstances would have been reasonably aware the company was insolvent; and
- ▶ the creditor must not have an offset for goods or services provided after the payment which remain unpaid, for an amount greater than the payment.

We have reviewed payments made by the WPG Group during the six month period prior to the Administrators’ appointment. At a high level, we have not identified any significant payments made by the WPG Group during the relation back period that could be classified as unfair preference payments.

We found evidence of frequent rounded, undescribed amounts transferred from WPG Resources Limited accounts totalling \$4.9m for the period 30 January 2018 to 30 July 2018. Following further investigations (including bank account traces), these amounts all related to inter-group

transfers. Accordingly, we have not found any transactions that we consider would be voidable as unfair preference payments in a Liquidation scenario.

8.1.2 Uncommercial Transactions and Transactions between the Company, its Directors, Officers and Related Entities.

Section 588FB of the Act provides that a transaction is an uncommercial transaction if it may be expected that a reasonable person in the company's circumstances would not have entered into the transaction having regard to:

- a) the benefits (if any) to the company of entering into the transaction;
- b) the detriment to the company of entering into the transaction;
- c) the respective benefits to other parties to the transaction of entering into it; and
- d) any other relevant matter.

If such a transaction is an insolvent transaction and was entered into by the company within the period of two (2) years ending on the relation-back day, it may be voidable and therefore recoverable by a liquidator under section 588FE(3) of the Act. Where a related entity is a party to the transaction, the relation back period is four (4) years.

Section 588FDA of the Act provides, inter alia, that a transaction is an unreasonable director-related transaction if:

- a) the transaction is a payment or disposition of property by the company;
- b) the payment or disposition is to a director or a close associate of a director; and
- c) having regard to the benefit and detriment of the transaction, a reasonable person in the company's circumstances would not have entered into it.

We note that it is not necessary that the company be insolvent at the time of the transaction for a transaction under section 588FDA of the Act to be voidable. Any transaction that may satisfy the criteria that occurred within four (4) years of the relation-back date may be voidable by a liquidator.

We have reviewed transactions made by the WPG Group during the two-year period prior to the Administrators' appointment. We have not identified any payments made by the WPG Group during the relation back period that could be classified as uncommercial transactions

8.1.3 Unfair Loans

Pursuant to section 588FD of the Act, a loan is unfair if:

- a) the interest on the loan was extortionate when the loan was made or has since become extortionate because of a variation; and
- b) the charges in relation to the loan were extortionate when the loan was made, or have since become extortionate because of a variation.

Our investigations have not revealed any transactions of a type that might be considered unfair loans in which funds could be recovered for the benefit of creditors. The interest rate contained in the Facility Agreement between the WPG Group and BOPL was calculated with reference to the one-month Australian Bank Bill Swap Reference Rate administered by ASX Benchmarks Pty Ltd and accordingly, we do not consider this interest rate to be unreasonable.

8.2 Insolvent Trading

Pursuant to section 588G of the Act, a director of a company has a duty to prevent continued trading of a company when they have reason to believe that the company is insolvent or is likely to become insolvent, and it is unlikely to be able to pay the debts that it incurs. If there are reasonable grounds for suspecting that a company is insolvent at the time when a debt is incurred, or that the company will become insolvent as a result of incurring the debt, then the director or directors at the time the debt was incurred may be guilty of breaching section 588G of the Act and may be ordered to compensate the company for such liabilities.

The Act provides that a liquidator and, under certain circumstances a creditor, may recover from the directors of an insolvent company, damages in respect of losses suffered by creditors from transactions entered into at a time when a company is insolvent.

In our review of the historical solvency of the WPG Group we have considered whether there are present those matters described as the "usual indicators of insolvency". The relevant matters are discussed further below. The fourteen (14) indicators of insolvency as set out in the *ASIC v Plymin (2003)* case are as follows, along with the Administrators' comments in relation the WPG Group.

Indicator	Identified (Y/N)	Comments
Continuing losses	Y	The WPG Group incurred significant losses in all but two months during FY18. Since 1 July 2017, the WPG Group incurred a consolidated total loss of \$26.2m.
Current asset ratio below 1.0	Y	The WPG Group maintained a current asset and quick asset ratio of below one from June 2017 until the date of our appointment. CGO and Tarcoola's current ratios fell from 0.59 and 0.50 in June 2017 respectively to 0.15 and 0.30 in June 2018.
Overdue Commonwealth & State taxes	N	Aside from c. \$4.6k of unpaid payroll taxes, the WPG Group do not have any outstanding Commonwealth or State taxes (the WPG Group received GST refunds following the lodgement of each BAS as the sale of gold is GST free and met its PAYG payment obligations in a timely manner).
Poor relationship with present bank including inability to borrow additional funds	N	There is no evidence of WPG Group attempting to source funds from its bank.
No access to alternative finance	Y	BOPL provided \$20m of secured funding in December 2017 which in our opinion had the effect of alleviating any immediate cash flow issues until around 1 May 2018. After this date, despite the efforts of the Directors to secure additional funding to facilitate a recapitalisation in June/July 2018, we are not aware of any further significant funding being extended by any party to the WPG Group.
Inability to raise further equity capital	Y	The WPG Group's FY17 financial report indicates that it attempted to raise c. \$5.4m through a rights issue to shareholders in or around June 2017, however that this was not supported by shareholders which "placed strain on the WPG Group's balance sheet".
Supplier placing the debtor on COD terms, or otherwise demanding special payments before resuming supply	N	Aside from extended payment terms with their largest suppliers (BAPL and Exact Mining), we have not found evidence of suppliers placing the WPG Group on COD terms or ceasing to supply services until payment.
Creditors unpaid outside trading terms	Y	WPG Group records indicate some difficulty to pay creditors within 30-day terms from January 2018 onwards, however we currently lack sufficient evidence to verify if this is outside regular terms (ie 60-day terms are not uncommon in the mining industry). In April 2018 the WPG Group appears to have difficulty paying within 60-day terms, which indicates potential solvency concerns from 1 April 2018.
Issuing of post-dated cheques	N	We have not found any evidence of post-dated cheques being issued by WPG Group.
Dishonoured cheques	N	We have not found any evidence of dishonoured cheques.
Special arrangements with selected creditors	Y	Aside from extended trading terms mentioned above (BAPL, Exact Mining), we have not found any evidence of special arrangements with other creditors.

Indicator	Identified (Y/N)	Comments
Solicitors' letter, summons(es), judgments or warrants issued against the company	N	With the exception of the ongoing dispute with Pybar (which the WPG Group maintained it had valid setoff rights against) we have not sighted any legal letters issued against the WPG Group by or on behalf of creditors.
Payments to creditors of rounded figures, which are irreconcilable to specific invoices	Y	Byrne-cut appears to have been paid a total of \$6.8m in rounded sums from May 2018 onwards. Given Byrne-cut's status as a secured and major unsecured creditor, realisation of these amounts as voidable transactions is unlikely, but payment of the amounts in round/lump sums could be an indicator of insolvency. As noted above, all other rounded payments related to inter-group transfers.
Inability to produce timely and accurate financial information to display the company's trading performance and financial position, and make reliable forecasts.	N	The WPG Group appears to have been able to produce timely and accurate financial information to display actual trading performance. The WPG Group did not appear to be able to meet forecast revenue from at least December 2017, indicating an inability to make reliable forecasts. As detailed throughout this report (and specifically in section 5.2.1 above), the CGO mine continually failed to meet forecasts during the FY17 and FY18 years.

Based on our investigations, the WPG Group had cause for concern with regard to solvency during the period August - December 2017, following the dispute with Pybar, the consistent underperformance and ongoing trading losses at CGO. As outlined previously, BOPL provided \$20m of funding during December 2017 which, in our opinion, alleviated any immediate solvency concerns for a number of months (due to the immediate availability of cash to meet the WPG Group's due and payable liabilities).

Our investigations indicate that the WPG Group began to again experience solvency concerns on or around 1 May 2018, and at the time there were reasonable grounds for suspecting that the WPG Group was insolvent for the following reasons:

- ▶ The WPG Group made consolidated losses totalling \$2.9m, \$2.0m and \$2.4m in the March, April and May 2018 months, following losses made in each month from December 2017 to February 2018.
- ▶ The WPG Group required \$20m of funding in December 2017 to remain solvent, which following our analysis, was consumed by ongoing trading losses during January - April 2018.
- ▶ The WPG Group was unable to achieve revenue forecasts from at least December 2017 and appears to have been unable to accurately forecast revenue from at least September 2017.
- ▶ The WPG Group was having some difficulty paying trade creditors within 60 days during the period April - July 2018.
- ▶ The WPG Group had a current and quick ratio of below one from June 2017 to the date of our appointment.

Following our appointment and our initial investigations, we issued correspondence to the Directors of the WPG Group requesting various documents regarding the WPG Group's solvency. In summary, we were provided with the following:

- ▶ 7 August 2017: Solvency advice from the WPG Group's instructed lawyers;
- ▶ 13 September 2017: Further solvency advice from the WPG Group's instructed lawyers;
- ▶ 26 and 27 November 2017: Documents regarding extended payment terms with BAPL and \$20m secured facility to be provided by BOPL;
- ▶ 15 March 2018: Documentation supporting the Director's opinion that the WPG Group was a going concern for the first half of FY18 (ie 1 July 2017 to 31 December 2017);
- ▶ 29 March 2018: Letter of support from BAPL, extending trading terms to 90 days;

- ▶ 27 June 2018: Unsigned draft Deed of Settlement between CGO, WPG Resources and Pybar; and
- ▶ 28 June 2018: A Forbearance Term Sheet between BAPL, BOPL and entities within the WPG Group.

Following receipt and consideration of the above documents, it is our preliminary opinion that there is an argument to suggest that there were grounds to suspect that the WPG Group was solvent in June 2018 (and remained so until the automatic termination of the forbearance agreement on or around 27 July 2018). Our reasons for this are as follows:

- ▶ Execution of the forbearance term sheet may have rendered the amounts originally due to BAPL/BOPL as not “due and payable”. Whilst the debt was not forgiven, the forbearance, in our opinion, casts significant doubt as to whether the amount should be classed as due and payable until the forbearance was withdrawn or terminated;
- ▶ During the forbearance period, the amount outstanding to the WPG Group’s other major unsecured creditor (Pybar) was in dispute. There was a genuine dispute with regard to this claim, also indicating that it could be argued that this amount was not due and payable during June and July 2018. In addition, we have sighted a draft Deed of Settlement and Release between WPG Resources, CGO and Pybar which if finalised, would have resulted in the issue of shares in WPG Resources to Pybar in full and final settlement of all matters between the parties;
- ▶ During the forbearance period, the WPG Group was pursuing a recapitalisation through a combination of debt forgiveness, debt to equity swaps and funding from a new financier. This recapitalisation (if successful) would have more than likely resulted in the WPG Group avoiding external administration; and
- ▶ The remaining due and payable debts to ordinary unsecured creditors at 30 June 2018 totalled c. \$9.7m. At 30 June 2018, the WPG Group held c. \$12.9m of current assets, comprising of cash and equivalents, receivables and inventory. As the amount of “due and payable” liabilities at 30 June 2018 totalled c. \$9.7m, it is arguable that the WPG Group was not insolvent at this date as it had sufficient current assets to discharge its due and payable debts.

It is our understanding that the potential incoming financier indicated that it was unlikely to proceed with the recapitalisation on or around 27 July 2018, which was a terminating event under the forbearance agreement. Upon the withdrawal of the potential financier, the WPG Group became insolvent. Shortly after this date (30 July 2018), the Directors appointed voluntary administrators. We note that a forbearance by a creditor is not necessarily sufficient to defer the due date for payment. In our opinion, the forbearance agreement between the WPG Group, BAPL and BOPL casts significant uncertainty in regards to the date of insolvency, together with the pursuit of the recapitalisation plan during June and July 2018. Should proceedings be brought against the Directors, we consider that the above factors and actions taken by the Directors may provide the Directors with defences to any insolvent trading compensation claim brought against them.

We reiterate our comments that our assessment of the date upon which the WPG Group became insolvent is a *preliminary* assessment only. In the event that the WPG Group is wound up, as liquidators, we may have a claim against the Directors for allowing the Company to incur debts after the date upon which it became insolvent. The potential defences to any insolvent trading action as they are available to Directors are considered below.

8.2.1 Defences to Insolvent Trading

Section 588H of the Act provides certain defences to directors of a company against whom a claim is made for insolvent trading. Our analysis of these defences as they may apply to the Directors is as follows.

8.2.1.1 Reasonable Grounds to Expect the Company was Solvent

In order to make out this defense, a director must demonstrate that they made all reasonable enquiries to satisfy themselves of the solvency of the company and that they formed a reasonable and rational view, based upon those enquiries, that the company was able to pay its debts as and when they fell due.

Based on discussions with the Directors and documentation that we have been provided with, we believe that the Directors will assert that they had grounds to expect the WPG Group was solvent up until the automatic termination of the forbearance agreement on or around 27 July 2018. The reasons for this were detailed in section 8.2 above.

The evidence currently available to us would suggest that a defence under this provision may be successfully argued.

8.2.1.2 Reliance on Another Person

A defence under this provision can only be made out in circumstances where a director had reasonable grounds to believe, and did believe, that a competent and reliable person was responsible for providing them with information about whether the company was solvent and that person fulfilled that responsibility. If, following the fulfilment of that responsibility by the other person, the director reasonably formed the expectation that the company was and would remain solvent, then the requirements for the defence would be met.

Other than various pieces of advice sought by the Directors of the WPG Group, we are not aware of any reliance placed on other competent people during the WPG Group's trading history. In addition, we do not believe the Directors would attempt to avail themselves of this defence in the event that a claim was made against them.

8.2.1.3 Illness

We have not been provided with any evidence by the Directors that they were suffering from an illness at any time during the period of their directorship that might have prevented them from taking part in the management of the Company.

We have no reason to believe the Directors would be successful in arguing this defence.

8.2.1.4 Reasonable Steps to Prevent the Incurring of the Debt(s)

For the reasons set out in sections 8.2 and 8.2.1.1 above, in particular that the Directors were taking proactive steps to negotiate a recapitalisation of the WPG Group, we are of the view that the Directors may purport to rely on this defence if pursued for insolvent trading.

The evidence currently available to us would suggest that a defence under this provision may be successfully argued.

8.3 Breaches of Director's Duties and Other Offences

In considering whether any recoveries are available to the WPG Group, in our role as liquidators (if appointed), we are required to consider whether the Directors have committed breaches of the following sections of the Act, in addition to section 286/344 and 588G of the Act (discussed in sections 4.4 and 8.2 respectively), that might give rise to an order for compensation against them:

1. Section 180 – Care and diligence
2. Section 181 – Good faith
3. Section 182 – Use of position
4. Section 183 – Use of Information
5. Section 184 – Good faith, use of position & use of information – Criminal Offences
6. Section 590 – Liability for non-disclosures
7. Section 596 – Fraud by officers

8.3.1 Care and Diligence

Section 180 of the Act requires that directors exercise the care and diligence that would be expected of a reasonable person in the Director's circumstances, having regard to the type and size of the company and the position held by the director.

In addition, section 344 of the Act provides that where a director of a company fails to take all reasonable steps to cause a company to comply with the requirements of section 286, the director contravenes section 344. Furthermore, if the contravention is dishonest, the director commits an offence.

Our investigations have not identified any offences that might fall within the above provision.

8.3.2 Good Faith

Section 181 of the Act requires that a director exercises their powers and discharge their duties in good faith, for a proper purpose and in the best interests of the company.

Our investigations have not identified any offences that might fall within the above provision.

8.3.3 Use of Position

Section 182 of the Act provides that directors, officers and employees of a company must not improperly use their position to gain an advantage for themselves or someone else, or to cause detriment to the company.

Our investigations have not identified any offences that might fall within the above provision.

8.3.4 Use of Information

Section 183 of the Act provides that directors, officers and employees of a company that obtains information regarding the company must not improperly use the information to gain an advantage for themselves or someone else, or to cause detriment to the company.

Our investigations have not identified any offences that might fall within the above provision.

8.3.5 Good Faith, use of Position & use of Information – Criminal Offences

Section 184 of the Act provides that a director or officer of the company must not be reckless or intentionally dishonest in failing to discharge their duties in good faith.

Our investigations have not identified any offences that might fall within the above provision.

8.3.6 Liability for Non-disclosure and Fraud by Officers

Sections 590 and 596 of the Act provide variously that a person who, whilst an officer of the company, engaged in conduct that resulted in the fraudulent concealment of assets, the fraudulent alternation or omission of information from the company's books and records, or otherwise with intent to defraud the company and its creditors, engages in conduct that results in the concealment or removal of any part of the property of the company, contravenes the respective section and may be guilty of an offence.

Our investigations have not identified any offences that might fall within the above provisions.

8.4 Directors' Personal Financial Positions

The Directors' personal financial situations will come into consideration should Liquidators be appointed to the WPG Group and actions be identified (including insolvent trading) which may be brought against them personally.

We have conducted investigations into the Directors' personal financial positions based on public information and information provided by the Directors, or authorised by the Directors to be disclosed by third parties.

We advise that we have undertaken the following enquiries in respect to the Directors' personal financial positions:

- ▶ Current and historical land title searches on the Directors' names to determine any real property owned by them. These searches have revealed several properties in the Directors' names. We are not authorised to obtain mortgage discharge figures in relation to these search results, however the existence of real property in the Directors' names indicates some capacity to meet claims if brought against them.
- ▶ A current and historical company search on the Directors' names indicates that they are also the Directors of, and have shareholdings in, the entities listed in the below table.

Company	Related directors	Deals with the WPG Group	Nature of dealings
Australian Consumers' Association	Helen Wiseman	No	N/A
Cook Management Pty Limited	Helen Wiseman	No	N/A
Cookinvest Pty Limited	Helen Wiseman	No	N/A
Imalia Carecover Pty Ltd	Helen Wiseman	No	N/A
Imalia Pty Limited	Helen Wiseman	No	N/A
Premium Card Pty Ltd	Helen Wiseman	No	N/A
Wisewoman Pty Limited	Helen Wiseman	No	N/A
Sydney Community Foundation	Helen Wiseman	No	N/A

Relationships Australia (NSW) Limited	Helen Wiseman	No	N/A
Elencial Group Pty Ltd	Helen Wiseman	No	N/A
W And D Rossiter Pty Ltd	Wayne Rossiter	No	N/A
Aquiline Nominees Pty Ltd	Wayne Rossiter	No	N/A
Mining And Energy Group Pty Ltd	Wayne Rossiter	No	N/A
Rec Investment Management Pty Limited	Robert Duffin	No	N/A
Irrawaddy Investments Pty Ltd	Robert Duffin	No	N/A
Resource Equity Consultants Pty Ltd	Robert Duffin	No	N/A

8.5 Conclusion

As previously noted, we have not identified any voidable transactions which would be commercial to pursue in a liquidation scenario. In addition, we do not consider that the Directors have breached their obligations under the Act in relation to good faith, care and diligence, use of information or use of position.

Our investigations have identified that Liquidators (if appointed) may have a claim against the Directors in respect to insolvent trading compensation. We note our analysis in this section regarding the issues and complexities regarding this claim and the defences available to the Directors. Further, creditors should be aware that:

- (a) the complexities of pursuing an insolvent trading compensation claim means doing so is often very costly;
- (b) the Administrators are currently without funds with which to pursue an insolvent trading claim in a Liquidation scenario, meaning creditor funding or external litigation funding would be required to pursue such an action;
- (c) the Directors may have valid defences to an insolvent trading claim brought against them, indicating any such litigation is speculative in nature;
- (d) Directors and Officers insurance policies are defended strongly by insurers, making them costly to pursue;
- (e) our investigations into the Directors' personal financial positions has not confirmed the Directors' ability to meet any insolvent trading claim in full; and
- (f) in the circumstances where funds were recovered from an insolvent trading compensation claim, the costs associated with the pursuit and recovery of same may outweigh the benefit in doing so.

As per section 8.5(b) above, in the event that we (or some other party) are appointed as Liquidators, it is likely that we will be without funds with which to pursue the Directors in relation to breaches of the insolvent trading provisions (or any other claims identified). If any creditor has an interest in funding further investigations and/or proceedings against the Directors, they are urged to contact our office as soon as possible (and in any event prior to the upcoming meeting on 6 May 2019).

It is recommended that creditors vote in favour of the proposed DOCA for WPG Resources and Tunkillia (DOCA 1) and Liquidation for the other five entities as detailed in section 9 below. In the event that DOCA 1 is incapable of acceptance at the upcoming meeting, it is our recommendation that creditors vote in favour of the proposed DOCA for WPG Resources (DOCA 2) and Liquidation for the other six entities in the WPG Group. Our recommendation on the options available to creditors at the meeting in this regard is provided in section 9 and Appendix E below.

9. Options Available to Creditors

Section 439A(4)(b) of the Act requires that we, as the Administrators, give our opinion about the following matters:

- ▶ Whether it would be in the creditors' interests for the administration to end;
- ▶ Whether it would be in the creditors' interests for the WPG Group to execute a DOCA; or
- ▶ Whether it would be in the creditors' interests for the WPG Group to be wound up.

Each of these is discussed below.

9.1 The Administration Ends

In circumstances where creditors resolve that the Administration should end, the Administrators' appointment would be terminated and control of the WPG Group would revert back to the Directors.

The WPG Group is clearly insolvent and it is not in a position to discharge debts due to creditors should the Administration end. In addition, the Receivers and Managers have taken control of the WPG Group's assets and undertakings, have ceased all trading operations and are conducting a sale campaign.

Accordingly, it is our opinion that it is not in the interests of creditors that the Administration ends.

9.2 The Company Executes a Deed of Company Arrangement

A DOCA is a legislative procedure under the Act allowing a company (or a group of companies) to make a compromise or arrangement binding all of its creditors. This provides for a modification or adjustment of the rights and obligations owing by the company or group to its creditors. The Act provides the procedures for effecting such modification or adjustment, and enables the arrangement to be made binding on all creditors if agreed to by a majority at a meeting of creditors. Creditors holding security are not necessarily bound by the DOCA.

Following the creditors' meeting wherein creditors resolve to accept the proposed DOCA, the DOCA will commence when both the company/companies and the proposed administrators of the DOCA have properly executed the DOCA. Creditors should carefully note that pursuant to section 444C of the Act, if a DOCA is resolved to be accepted by creditors, then until the DOCA is executed by the companies and the Deed Administrator(s), creditors are not to act inconsistently with the terms of the DOCA. If a DOCA has been executed the companies continue their legal existence. The companies are described as being "Subject to a Deed of Company Arrangement".

We have received two separate DOCA proposals, one in relation to WPG Resources Ltd and Tunkillia Gold Pty Ltd ("DOCA 1") and one in relation to WPG Resources Ltd ("DOCA 2"). Details of the DOCA proposals are provided in section 9.2.1 below. Copies of the DOCA proposals are included at Appendix E below.

A summary of the principal terms of each DOCA are detailed below.

9.2.1 Overview of the DOCA terms – DOCA 1

1. A DOCA has been proposed in respect of WPG Resources Ltd and Tunkillia.
2. The DOCA proponent is Mr Robert Duffin, former Director of the WPG Group.
3. The Administrators will be Deed Administrators of the DOCA.
4. The funds available for distribution in the DOCA comprise \$800,000 cash and the issue of shares in WPG Resources Limited.
5. The terms of the DOCA are detailed in Appendix E below.
6. The relevant date for admissibility of claims of creditors under the DOCA will be the date of the Administrators' appointment as administrators of WPG Resources (30 July 2018).
7. Unsecured creditors of WPG Resources and Tunkillia will be paid 100c in the dollar through a combination of cash and the issue of shares.
8. Unsecured creditors owed \$7,000 or less will be paid in cash in full. Unsecured creditors owed in excess of \$7,000 will be paid \$7,000 and the value of their residual claim will be paid in the issue of shares in WPG Resources Limited.
9. ASX Operations Pty Ltd will be paid in full, regardless of its claim (noting that in any event the POD received from ASX Operations Pty Ltd is below \$7,000).
10. Resource Equity Consultants Pty Ltd (a company that is a shareholder of WPG Resources Limited and that Mr Robert Duffin is a Director of) will not participate in the DOCA.
11. BOPL and the SA Government are required to discharge their securities over WPG Resources Limited and Tunkillia.
12. BOPL and the SA Government will not participate in the DOCA for any shortfalls in their secured debts.
13. BOPL will receive a cash distribution from the Deed Fund as outlined in the table below.

DOCA 1 is conditional upon the assets of Tunkillia being available to the proponent. In late April 2019 (and as at the date of this report) we are aware of a potential sale of assets by the Receivers, which may include Tunkillia's assets (predominantly mining leases). If, during the period between the issue of this report and the second meeting of creditors on 6 May 2019, the Receivers execute a sale of Tunkillia's assets, DOCA 1 will no longer be viable to the proponent and will be incapable of acceptance at the second meeting.

9.2.2 Overview of the DOCA terms – DOCA 2

1. A DOCA has been proposed in respect of WPG Resources Ltd.
2. The DOCA proponent is First Guardian Synergy Capital Limited ("FG Synergy").
3. The Administrators will be Deed Administrators of the DOCA.
4. The funds available for distribution in the DOCA comprise \$600,000 cash and the issue of shares with a minimum value of \$100,000.
5. The terms of the DOCA are detailed in Appendix E below.
6. Unsecured creditors will receive a cash distribution of 10c in the dollar on their claims. A minimum of \$100,000 worth of shares in WPG Resources Limited will be issued to unsecured creditors in accordance with their claims.
7. BOPL and the SA Government are required to discharge their securities against WPG Resources Limited. BOPL will receive a cash distribution from the DOCA as detailed in the below table.
8. The relevant date for admissibility of claims of creditors under the DOCA will be the date of the Administrators' appointment as administrators of WPG Resources (30 July 2018).
9. All secured creditors will release security interests over WPG Resources Limited's property.
10. Unsecured creditors of WPG Resources Limited will receive approximately 64.23c in the dollar through a combination of cash and the issue of shares.

The below table provides an estimate of the anticipated recoveries in each of DOCA 1, DOCA 2 and a liquidation scenario and the comparative return to creditors. It is noted that this analysis related to the returns to creditors of WPG Resources Limited only. We have not included a separate analysis for Tunkillia Gold Pty Ltd in the below table as the only creditor of that company is BOPL, which is receiving a cash distribution from DOCA 1 and we are advised it is in support of the DOCA.

Estimated return to creditors - DOCA v Liquidation analysis			
AUD (\$)			
Description	DOCA 1	DOCA 2	Liquidation
Cash at Bank	28,296	28,296	28,296
DOCA Contribution	800,000	600,000	-
Shares	96,768	100,000	-
Voidable transaction recoveries	n/a	n/a	-
Insolvent trading and other claims	n/a	n/a	-
Subtotal	925,065	728,293	28,296
Costs			
Administration remuneration 1 October 2018 - 5 April 2019	91,726	84,429	84,429
Administration remuneration 6 April 2019 - conclusion of VA	20,000	20,000	20,000
Deed Administrators' remuneration	40,000	40,000	n/a
Liquidators' remuneration 6 May 2019 to finalisation of Liquidation	n/a	n/a	25,000
Disbursements including legal fees	15,000	15,000	-
Total costs	166,726	159,429	129,429
Surplus cash available for creditors (less shares above)	661,569	468,866	-
Less: cash distribution to BOPL	587,719	450,427	-
Cash available for unsecured creditors	73,850	18,438	-
Shares provided to unsecured creditors	96,768	100,000	-
Total contribution (cash and shares)	170,619	118,438	-
Unsecured creditor claims	170,619	184,389	14,544,636
Effective return to unsecured creditors (%)	100.00%	64.23%	-

It is the Administrators' opinion that it is in the best interests of creditors of WPG Resources Limited and Tunkillia Gold Pty Ltd to accept DOCA 1.

In DOCA 1, it is proposed that the shares that are issued to unsecured creditors will be issued at the same price as shares issued as part of a proposed equity raising expected to occur within 6 to 12 months from the effectuation of the DOCA. Whilst not part of one of the conditions of the proposed DOCA, we consider it relevant to advise unsecured creditors of the proposed wider capital raising to assist with their decision making regarding the acceptance of DOCA 1.

Similarly, if DOCA 1 is incapable of acceptance at the second meeting, it is our opinion that DOCA 2 is favourable to Liquidation of WPG Resources Ltd. The \$100,000 of shares available for distribution to unsecured creditors as part of DOCA 2 will consist of 10,000,000 shares at \$0.01 per share. Following this, it is proposed that a further capital raising take place within four months of the effectuation of the DOCA, via the issue of up to 80,000,000 shares at an issue price of \$0.01 to the proponent of DOCA 2.

9.3 The Company be Wound Up

Creditors may resolve to wind up entities within the WPG Group. In such circumstances, absent the nomination of an alternate liquidator(s), we would be appointed Joint and Several Liquidators of the WPG Group. In these circumstances, we would conduct a more detailed review of the WPG Group's financial affairs and prepare a report on its affairs and the conduct of its officers and convey those findings to the ASIC and creditors.

We are of the opinion that DOCA 1 is in the best interests of creditors. Accordingly, we do not consider it to be in the best interests of creditors for WPG Resources or Tunkillia to be wound up at the second meeting of creditors. As noted in section 9.2 above, it is possible that Tunkillia's assets are sold prior to the upcoming second meeting of creditors, in which case DOCA 1 will be incapable of acceptance at the upcoming meeting. If this occurs, it is our recommendation that creditors vote in favour of DOCA 2 (which only relates to WPG Resources Ltd), and liquidation for Tunkillia.

Given there has been no suitable DOCA proposed for the remaining five WPG Group entities, it is our opinion that creditors should resolve that these entities be wound up at the upcoming meeting. For the avoidance of any doubt, we do not anticipate there will be a return to any class of creditors for each of these companies.

Attached at Appendix F is our formal statement in relation to this matter in accordance with section 439A(4)B of the Act.

9.4 Administrators' Recommendation

Our recommendations are as follows:

Scenario One: Tunkillia's assets are not sold prior to the upcoming meeting.

1. It is the Administrators' opinion that creditors vote in favour of DOCA 1 in respect of WPG Resources Limited and Tunkillia Gold Pty Ltd;
2. It is the Administrators' opinion that creditors vote in favour of Liquidation for Challenger Gold Operations Pty Ltd, Tarcoola Gold Pty Ltd, WPG Gawler Pty Ltd, WPG Securities Pty Ltd and Southern Coal Holdings Pty Ltd.

Scenario Two: Tunkillia's assets are sold prior to the upcoming meeting, or DOCA 1 is not approved by WPG Resources and Tunkillia creditors:

1. It is the Administrators' opinion that creditors vote in favour of DOCA 2 in respect of WPG Resources Limited;
2. It is the Administrators' opinion that creditors vote in favour of Liquidation for Challenger Gold Operations Pty Ltd, Tarcoola Gold Pty Ltd, Tunkillia Gold Pty Ltd, WPG Gawler Pty Ltd, WPG Securities Pty Ltd and Southern Coal Holdings Pty Ltd.

Should the Receivers execute a sale of Tunkillia's assets before the upcoming meeting of creditors (and should there be sufficient time), we will issue correspondence to creditors of WPG Resources Ltd and Tunkillia Gold Pty Ltd confirming such and that DOCA 1 has been withdrawn.

10. Administrators' Remuneration

Members of the Australian Restructuring Insolvency and Turnaround Association ('ARITA') are governed by "The Code of Professional Practice" ('the Code') issued to members by the ARITA from time to time. Ernst & Young ('EY') operates under the Code which addresses the following issues in respect of remuneration:

- ▶ A Practitioner is entitled to claim remuneration, and disbursements, in respect of necessary work, properly performed in an administration.
- ▶ A claim by a Practitioner for remuneration must provide sufficient, meaningful, open and clear disclosure to the approving body so as to allow that body to make an informed decision.
- ▶ A Practitioner is entitled to draw remuneration once it is approved and according to the terms of the approval.

The Administrators' remuneration for the WPG Group has been and will be calculated by reference to an hourly rate as detailed in our initial circular to creditors on 31 July 2018. At a COI meeting held on 21 November 2018, committee members approved the following remuneration for the period 30 July 2018 to 30 September 2018:

AUD (excl GST)	Approved	Drawn	Balance
WPG Resources	110,588.50	79,022.50	31,566.00
Challenger Gold Operations	314,706.50	280,618.00	34,088.50
Tarcoola Gold	132,395.00	115,359.50	17,035.50
Total	557,690.00	475,000.00	82,690.00

The tasks performed during the administration have been allocated amongst the EY staff with the requisite qualifications and experience to complete the work in a timely and efficient manner. The level and experience of staff is a prime consideration when allocating resources to the various activities required to be performed during the course of the administration.

Attached at Annexure G to this report is our Remuneration Approval Request Report which sets out the calculation of the remuneration in which we are seeking creditor approval for in detail. Should creditors have any queries in regard to the calculation of the additional current and prospective remuneration we are seeking approval for, we request that creditors please contact Rick Magoffin or Michael Lawless of our office prior to the forthcoming meeting of creditors.

11. Second Meetings of Creditors

Concurrent meetings of the WPG Group's creditors are now convened Monday, 6 May 2019, in accordance with the attached Notice of Meeting.

All corporate creditors must appoint a proxy if they wish to vote at the meeting and we require evidence of the authorisation of the corporation's officer executing the proxy, so that we may confirm its validity for voting purposes.

Please note that proxy forms lodged for the first meetings of creditors will not be valid for these meetings. To be entitled to vote at the meetings, creditors must submit particulars of their debts. In the event that creditors do not submit particulars of their debts, they may be excluded from voting.

Creditors are advised that one of the Administrators must act as Chairperson of the forthcoming meetings of creditors. Furthermore, it may be necessary for the Chairperson to use a casting vote in respect of a motion regarding the any member of the WPG Group's future. It is our intention, as Administrators, to use any casting vote in accordance with the recommendations contained within this report (ie, that the proposed DOCA be approved). This intention is based on the information available at the date of this report and the reasons set out in this report. This position is subject to the Administrators not receiving any further information before or during the meetings that would result in the recommendation being changed.

If you require any further information, please contact Michael Lawless on (02) 8295 6077 or Rick Magoffin on (02) 9248 5940 or via email at michael.lawless@au.ey.com or rick.magoffin@au.ey.com.

Dated this 26th day of April 2019



Brett Lord
Joint and Several Administrator

Appendix A Notice of Second Meeting of Creditors of Company Under Administration

Insolvency Practice Rules (Corporations) 2016

75-15 - 75-35

Corporations Act 2001

439A(3)(a)

Notice of Second Meeting of Creditors of Company Under Administration

WPG Resources Ltd A.C.N. 109 426 502
Challenger Gold Operations Pty Ltd A.C.N. 000 715 882
Tarcoola Gold Pty Ltd A.C.N. 137 063 140
Southern Coal Holdings Pty Ltd A.C.N. 142 504 827
Tunkillia Gold Pty Ltd A.C.N. 108 925 382
WPG Securities Pty Ltd A.C.N. 149 062 724
WPG Gawler Pty Ltd A.C.N. 130 640 041
(All Administrators Appointed)
(All Receivers and Managers Appointed)
Collectively ("the WPG Group")

NOTICE IS GIVEN that a concurrent meeting of creditors of the WPG Group will be held as follows:

- ▶ Date: 6 May 2019
- ▶ Time: 1:00PM ACST
1:30PM AEST
- ▶ Address: Terrace 1,
Stamford Plaza,
150 North Terrace,
Adelaide SA 5000

Agenda

- (1) To review the Administrators' report concerning the WPG Group's business, property, affairs and financial circumstances.
- (2) For creditors to consider the options available to each company within the WPG Group and to resolve either:
 - a) that the Company execute a Deed of Company Arrangement; or
 - b) that the administration should end; or
 - c) that the Company be wound up; and
 - d) if the Company is wound up, the appointment of an alternate liquidator.

- (3) For creditors to:
- a) approve the Administrators' remuneration and disbursements; and
 - b) approve the remuneration and disbursements of the Deed Administrator(s), if so appointed; or
 - c) approve the remuneration and disbursements of the Liquidator(s), if so appointed; and
 - d) determine whether the liquidators (if appointed), be authorised to destroy the books and records of each company within the WPG Group.
- (4) If the WPG Group is wound up, to consider the appointment of a Committee of Inspection.
- (5) To consider any other business properly brought before the meeting.

Attending and Voting at the Meeting

Creditors are invited to attend the meeting, however, they are not entitled to participate and vote at a meeting unless:

- a) They have lodged with the Administrators particulars of the debt or claim and the claim has been admitted, wholly or in part, by the Administrators. If a particulars of debt form has already been lodged, they do not need to do so again. Refer to Note 1 below for further guidance on entitlement to vote.
- b) They are either present in person, by electronic facilities (if being made available) or validly represented by proxy, attorney or an authorised person under s250D of the *Corporations Act 2001*. If a corporate creditor or representative, a proxy form, power of attorney or evidence of appointment of a company representative pursuant to Section 250D of the *Corporations Act 2001* must be validly completed and provided to the Administrators before the meeting. A proxy is only valid for a particular meeting and will need to be resubmitted even if previously provided.

To enable sufficient time to review particulars of debt forms and proxies (or documentation authorising the representation) they should be submitted to our office by email to rick.magoffin@au.ey.com or wpg@au.ey.com or via post to Ernst & Young, GPO Box 2646, Sydney NSW 2000 by no later than 4:00PM on 3 May 2019. If you choose to return these documents, please allow sufficient time for the documents to be received prior to the due date.

Electronic Facilities

Teleconference facilities will be available to enable creditors to participate in the meeting via telephone. Creditors are required to provide a statement by email to the above address prior to the meeting which sets out:

- (1) The name of the creditor (and proxy if applicable);
- (2) The creditor's contact details as follows:
 - a) Postal address;
 - b) Email address on which the creditor can be contacted;
 - c) Telephone number on which the creditor can be contacted; and
 - d) Facsimile number (if applicable).

On receipt of this statement, you will be provided with instructions on how to access the facilities for the meeting.

Any queries should be directed to Michael Lawless on (02) 8295 6077 or Rick Magoffin on (02) 9248 5940 or via email at michael.lawless@au.ey.com or rick.magoffin@au.ey.com.

Dated this 26th day of April 2019



Brett Lord
Joint and Several Administrator

Note 1: Entitlement to vote and completing proofs

Insolvency Practice Rules (Corporations) 2016 - 75 85

Entitlement to vote at meetings of creditors

- a. A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- b. Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- c. A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - a. his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - b. he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
 1. those particulars; or
 2. if required—a formal proof of the debt or claim.
- d. A creditor must not vote in respect of:
 - a. an unliquidated debt; or
 - b. a contingent debt; or
 - c. an unliquidated or a contingent claim; or
 - d. a debt the value of which is not established;unless a just estimate of its value has been made.
- e. A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - a. treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - b. estimate its value;
 - c. for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- f. A person is covered by this subsection if:
 - a. the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - b. the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - c. the person is not an insolvent under administration or a person against whom a winding up order is in force.

Appendix B Appointment of Proxy Forms

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

Challenger Gold Operations (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 000 715 882 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 1 October 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$208,196 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Company enter into a Deed of Company Arrangement.			
That the Administration end.			

Resolution	For	Against	Abstain
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$50,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the
above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read
to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

WPG Resources Ltd (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 109 426 502 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 1 October 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$84,429.50 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$30,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the Company enter into a Deed of Company Arrangement referred to in the report dated 26 April 2019 as "DOCA 1".*			
That the Company enter into a Deed of Company Arrangement referred to in the report dated 26 April 2019 as "DOCA 2".*			
"That the remuneration of the Deed Administrators from date of the execution of the DOCA to the effectuation of the DOCA be determined at a sum equal to the cost of time spent by the Deed Administrators, their partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$60,000 (excl. GST), and that the Deed Administrators can draw the remuneration on a monthly basis or as required."			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			

Resolution	For	Against	Abstain
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Administration end.			
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$25,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

* We note that creditors are entitled to vote for both DOCA 1 and DOCA 2, or individually for either DOCA. As noted in this report, it is possible that DOCA 1 will be incapable of acceptance at the meeting pending the outcome of the Receivers' sale of Tunkillia's mining assets. Creditors should contact our office if they have queries regarding voting via proxy prior to the upcoming meeting of creditors.

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

Tarcoola Gold Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 137 063 140 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 1 October 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$52,437 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Company enter into a Deed of Company Arrangement.			
That the Administration end.			
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$25,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

Tunkillia Gold Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 108 925 382 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$15,432 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the Company enter into a Deed of Company Arrangement referred to in the report dated 26 April 2019 as "DOCA 1".			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Administration end.			
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the
above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read
to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

WPG Gawler Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 130 640 041 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$28,069 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Company enter into a Deed of Company Arrangement.			
That the Administration end.			
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

WPG Securities Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 149 062 724 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$14,640 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Company enter into a Deed of Company Arrangement.			
That the Administration end.			
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the
above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read
to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appointment of Proxy

*Insolvency Practice Rule 75-25
Corporations Act 2001*

Southern Coal Holdings Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) A.C.N. 142 504 827 ("the Company")

A. Insert Full Name and Contact Details (please print)

Given Name	Surname
Company Name	Telephone
Address	

B. Appointment of a Proxy (please complete)

I/We, a creditor of the Company appoint, _____
of as my/our proxy, or in his/her absence _____, to vote at the
meeting of creditors to be held on 6 May 2019 or at any adjournment of that meeting.

C. Voting by your Proxy

Option 1: If appointed as a general proxy, as he/she determines on my/our behalf

AND/OR

Option 2: If appointed as a special proxy for the resolution, specifically in the manner set out below (please tick):

Resolution	For	Against	Abstain
"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$15,450 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."			
"That the future remuneration of the Administrators for the period 6 April 2019 to the conclusion of the Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."			
That the meeting to be adjourned for up to 45 business days.			
That the Company be wound up.			
- If the Company is wound up, that a Committee of Inspection be formed.			
- If the Company is wound up, that the Liquidators be authorised to destroy the books and records of the Company pursuant to section 542 of the Corporations Act 2001.			
That the Company enter into a Deed of Company Arrangement.			
That the Administration end.			
"That the remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."			

D. Signature Section

Signature of individual or person authorised by
corporate resolution to represent corporation

Print Name

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

CERTIFICATE OF WITNESS

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I, _____ of _____ certify that the
above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read
to him before he attached his signature or mark to the instrument. Signature of witness: _____

Appendix C Particulars of Debt Form

subregulation 5.6.49(2)
Corporations Act 2001

PARTICULARS OF DEBT OR CLAIM (GENERAL FORM) TO THE ADMINISTRATORS OF

WPG Resources Ltd A.C.N. 109 426 502
Challenger Gold Operations Pty Ltd A.C.N. 000 715 882
Tarcoola Gold Pty Ltd A.C.N. 137 063 140
Southern Coal Holdings Pty Ltd A.C.N. 142 504 827
Tunkillia Gold Pty Ltd A.C.N. 108 925 382
WPG Securities Pty Ltd A.C.N. 149 062 724
WPG Gawler Pty Ltd A.C.N. 130 640 041
(All Administrators Appointed)
Collectively ("the WPG Group")

Indebted Company (please tick one box for the Company you are a creditor of)

- | | |
|---|---|
| <input type="checkbox"/> WPG Resources Ltd | <input type="checkbox"/> Tunkillia Gold Pty Ltd |
| <input type="checkbox"/> Southern Coal Holdings Pty Ltd | <input type="checkbox"/> WPG Securities Pty Ltd |
| <input type="checkbox"/> Tarcoola Gold Pty Ltd | <input type="checkbox"/> WPG Gawler Pty Ltd |
| <input type="checkbox"/> Challenger Gold Operations Pty Ltd | |

1. This is to state that the above company was on 30 July 2018, and still is, justly and truly indebted to:

(full name, ABN and address of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor)

for _____ dollars and _____ cents

Particulars of the debt are:

Date	Consideration	Amount	Remarks
	<i>(state how the debt arose)</i>		<i>(include details of voucher substantiating payment)</i>

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following:

(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).

Date	Drawer	Acceptor	Amount (\$)	Due Date
------	--------	----------	-------------	----------

3. Signed by (select option):

- I am the creditor personally.
I am employed by the creditor and authorised in writing by the creditor to make this statement.
- I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.
- I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: _____ Dated: _____

Name: _____ Contact Number: _____

Address: _____

RECEIVE REPORTS BY EMAIL	Yes	No
In accordance with section 600G of the <i>Corporations Act 2001</i> , do you wish to receive all future reports and correspondence from our office via email?	£	£
Email:.....		

Appendix D Receipts and Payments

A summary of our receipts and payments from 30 July 2018 to 18 April 2019 is as follows:

Challenger Gold Operations Pty Ltd

Type	Account	Total (\$)
Receipts		
	Cash at Bank	47,747.04
	Gold Sales	4,856,306.76
	GST Control: GST Paid (Received)	359,277.00
	Interest Income	439.12
	Loan Account - WPG Resources Ltd	807,521.44
Total Receipts		6,071,291.36
Payments		
	Administration (trading costs)	(126,310.71)
	Appointee Disbursements	(7,249.57)
	ASIC Fees	(3,487.00)
	Bank Charges	(2.50)
	Fees: Appointee's Remuneration	(308,679.80)
	Fuel & Oil	(813,430.40)
	Legal Cost	(2,288.03)
	Legal Fees	(58,056.45)
	Loan Account - WPG Resources Ltd	(807,521.44)
	Maintenance	(122,292.54)
	Mining Costs	(1,058,224.83)
	Process Costs	(62,739.94)
	Refining and Transport Costs	(2,805.00)
	Site Accommodation costs	(511,778.21)
	Survey	(40,076.30)
	Transfer to Receivers and Managers	(2,057,897.19)
	Utilities	(56,712.20)
	WHS	(2,441.59)
Total Payments		(6,041,993.70)
Balance		29,297.66

Tarcoola Gold Pty Ltd

Type	Account	Total (\$)
Receipts		
	Cash at Bank - CBA	34,923.33
	Gold Sales	1,826,377.64
	GST Control: GST Paid (Received)	100,168.00
	Interest Income	234.36
	Loan Account - WPG Resources Ltd	98,000.00
Total Receipts		2,059,703.33
Payments		
	Administration	(49,243.78)
	Appointee Disbursements	(44.00)
	ASIC Expense	(3,487.00)
	Fees: Appointee's Remuneration	(126,895.45)
	Fuel & Oil	(209,827.80)
	Legal Cost	(1,144.02)
	Legal Fees	(26,456.48)
	Loan Account - WPG Resources Ltd	(98,000.00)
	Mining Contract Costs	(607,249.78)
	Survey	(4,210.80)
	Transfer to Receivers and Managers	(932,904.53)
Total Payments		(2,059,463.64)
Balance		239.69

WPG Resources Ltd

Type	Account	Total (\$)
Receipts		
	Cash at Bank	6,039,531.44
	GST Control: GST Received	16,252.96
	Interest Income	262.73
	Loan Account - Challenger Gold Operations Pty Ltd	807,521.44
	Loan Account - Tarcoola Gold Pty Ltd	98,000.00
	Pre appointment - Cash at bank (Trust funds)	16,326.97
Total Receipts		6,977,895.54
Payments		
	Administration	(132.00)
	Appointee Disbursements	(7,348.52)
	ASIC Fees	(6,974.00)
	Bank Charges	(330.00)
	Charter Flights	(14,850.00)
	Fees: Appointee's Remuneration	(86,924.75)
	Insurance	(11,924.02)
	Legal Cost	(2,288.04)
	Legal Fees	(64,519.62)
	Loan Account - Challenger Gold Operations Pty Ltd	(807,521.44)
	Loan Account - Tarcoola Gold Pty Ltd	(98,000.00)
	Sundry Expenses	(1,883.06)
	Transfer to Receivers and Managers	(5,844,122.96)
Total Payments		6,946,818.41
Balance		31,077.13

Tunkilia Gold Pty Ltd

Type	Account	Total (\$)
Receipts		
	Cash at bank	876.57
Payments		
Balance		876.57

Southern Coal Holdings Pty Ltd

Type	Account	Total (\$)
Receipts		
	Cash at bank	1,531.69
Payments		
Balance		1,531.69

WPG Gawler Pty Ltd

Type	Account	Total (\$)
Receipts		
	Gain on gold sales (hedge)	230,269.02
	Cash at bank	17,402.24
	GST Received	181.00
	Interest income	104.31
Total Receipts		247,956.57
Payments		
	Transfer to Receivers and Managers	197,438.18
	Bank Charges	2,312.62
	Freight	1,993.10
	Sundry Expenses	927.36
Total Payments		202,671.26
Balance		45,285.31

There have been no receipts or payments in the Administration of WPG Securities Pty Ltd.

Appendix E Deed of Company Arrangement Proposals

“DOCA 1”



RESOURCE EQUITY CONSULTANTS PTY LTD

ABN 45 003 435 523
94A Louisa Road
Birchgrove NSW 2041
Telephone (+612) 9818 3076
Mobile 0412 234 684
Email bobduffin@reconsultants.com.au

23 April 2019

Mr Brett Lord
E&Y
200 George Street
SYDNEY NSW 2000

and

Mr Daniel Bond
RSM
70 Kent Street
DEAKIN ACT 2600

By email: brett.lord@au.ey.com

Daniel.Bond@rsm.com.au

Dear Sirs

WPG Resources Limited (Receivers and Managers Appointed) (Administrators Appointed) and subsidiaries

DOCA Proposal #5

STRICTLY PRIVATE AND CONFIDENTIAL

You will be aware that I submitted draft proposals for a Deed of Company Arrangement (**DOCA**) for companies in the above group on 4 August, 24 September, 4 December 2018, and 22 March 2019.

I now submit a further DOCA proposal in accordance with the Administrator's request that it be lodged in time for it to be considered in his s439A report that will be finalised this week.

1. Proponent

The Proponent is Mr Robert Duffin, a former director of the WPG Group of companies.

2. Source of funds

REC Investment Management Pty Ltd ABN 87 087 571 319 (**RECIM**). Mr Duffin is a shareholder and director of RECIM. RECIM is a WPG shareholder.

3. Companies and assets subject to the proposed DOCA

WPG Resources Limited ACN 109 426 502 (**WPG**, or **Listco**) and Tunkillia Gold Pty Ltd ACN 108 925 382 (**Tunkillia Gold**) (both Receivers and Managers Appointed) (both Voluntary Administrators Appointed), and the assets of these companies.

4. Creditors Trust

It is unlikely that a Creditors Trust will be required. If one is required, it is proposed that the trustees of the Creditors Trust be the Voluntary Administrators.

5. Loan to Listco and payments to creditors

RECIM will lend \$800,000 (**Settlement Amount**) to Listco which will then disburse that sum to creditors (if necessary, via the Creditors Trust) as set out below. Security for this loan will be a charge over Listco and Tunkillia Gold and their assets. The Settlement Amount loan will attract an interest of 15% per annum, and will be for an initial 12 month period.

The Settlement Amount will be disbursed to creditors as follows:

- An amount of \$700,000 will be paid to Byrncut Offshore Pty Ltd, the second ranking secured creditor; and
- The unsecured creditors of Listco and Tunkillia Gold will be paid 100 cents in the dollar of the amount owing to them, which we understand is a maximum of approximately \$220,000. This payment will be made as follows:
 - Unsecured creditors owed less than \$7,000 will be paid in cash;
 - Unsecured creditors owed more than \$7,000 will be paid \$7,000 in cash and the balance in WPG shares (**Settlement Shares**); but
 - Resource Equity Consultants will not prove in; and
 - ASX Operations Pty Ltd will be paid entirely in cash, as it is not likely that the issue of WPG shares will be acceptable to the market operator.

6. Funds held by Receiver

No amounts currently held by the Receiver need be disbursed under this DOCA proposal. The Receiver can deal with these funds as is seen fit.

7. State of South Australia

Other than as set out below, no obligations are imposed on the State of South Australia under this DOCA proposal. The State of South Australia is free to deal with the Receiver on its first ranking security as the parties see fit.

8. Key commercial and administrative terms of the DOCA

Key commercial and other terms and assumptions that will form part of the formal DOCA instrument include:

- All litigation against Listco and Tunkillia Gold will cease (none known);
- Byrncut Offshore and the State of South Australia will release their security over Listco and Tunkillia Gold and their assets;
- Bank deposits held by Listco and Tunkillia Gold that back the rehabilitation bond obligations of Listco and Tunkillia Gold remain in place;
- The Receiver's and their advisors' costs and also the Administrator's costs are to be paid out of funds currently held by the Receivers or to be generated from future assets sales; and
- Other items normally included in a DOCA agreement of this nature will be included.

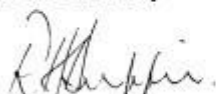
9. Capital raising by WPG

Although it is not part of this DOCA proposal, and payments to secured and creditors are not dependent on it, Listco will undertake an equity raising after the Receivers and Administrators of Listco and Tunkillia Gold have retired. The timing of this will depend on market conditions but it is expected to occur within 6 to 12 months from effectuation of the DOCA.

A number of reports and other documents need to be prepared by WPG and shareholder meetings need to be convened to approve certain transactions before the capital raising can proceed and WPG's ASX trading suspension lifted. RECIIM will lend a further sum of \$100,000 (or as subsequently agreed) to WPG taking the total loan amount (**Proponent Loan**) to \$900,000 to allow this to occur. It intended that the Proponent Loan be capitalised by the issue of WPG shares at the same time as the wider capital raising proceeds. The Settlement Shares will be issued at the same price as shares issued to capitalise the Proponent Loan. The Settlement Shares will be escrowed for 12 months following the lifting of WPG's ASX trading suspension.

Please do not hesitate to contact me if you would like clarification of any of the points summarised above.

Yours sincerely



Bob Duffin
Director

"DOCA 2"



First Guardian Synergy Capital Pty Ltd
Suite 401, 88 Mountain St, Ultimo NSW 2007 Australia
Email: enquiry@synergyibank.com

17 April 2019

Private & Confidential

Attn: Mr Gregory Dudley, Mr Jonathan Colbran and Mr Richard Stone
RSM Australia Partners
Joint and Several Receivers and Managers

By Email

Dear John,

WPG Resources Ltd (Receivers and Administrators Appointed) (Administrators Appointed) ACN 121 831 472 ("The Company")
– **Binding Proposal for Recapitalisation**

We refer to the appointment of RSM Australia Partners in its capacity as Joint and Several Receivers and Managers ("**Receivers**") and the appointment of Ernst & Young in its capacity as Joint and Several Administrators ("**Administrators**") to the Company and each of its subsidiaries.

This letter sets out the key terms of a binding proposal upon which First Guardian Synergy Capital Limited (ACN 619 169 667) ("**FG Synergy**") submits an offer to you for FG Synergy or its nominee(s) to act as proponent in relation to the recapitalisation of the Company by way of a Deed of Company Arrangement ("**DOCA**") under Part 5.3A of the Corporation Act or otherwise.

1. **Offer and Material Terms**
- 1.1 Subject to the conditions set out in this letter, FG Synergy offers to act as a proponent to manage and assist with the recapitalisation process for the Company as set out below ("**Proposal**").
- 1.2 The material terms of the Proposal are as follows:
 - (a) FG Synergy or nominees of FG Synergy will provide \$600,000 cash ("**Creditor Payment**") and new shares with a minimum value of \$100,000 comprising 10,000,000 shares at \$0.01 per share ("**Creditor Issue**") towards the creditors of the Company, by way of payment into a Creditors' Trust. The Creditor Payment is to be paid as follows:
 - (i) \$25,000 deposit payable within seven business days of FG Synergy formally nominated as the preferred bidder ("**Deposit**"). The Deposit will be non-refundable after Creditor approval of DOCA with respect to the Proposal. The Deposit will be refundable within seven days should Creditor approval not be received in full.
 - (ii) \$575,000 payable within seven business days of shareholder approval of the DOCA. A Proof of Funds of at least \$575,000 from FG Synergy's Related Bodies Corporate or Associated Entity under Section Part 1.2 Division 6 of the Corporation Act will be delivered to Administrator within 7 business days of FG Synergy formally nominated as the preferred bidder.

- (b) The Creditors Trust will comprise:
- (i) Creditor Payment including deposit from the Proponent;
 - (ii) Issue of new shares with a minimum value of \$100,000 comprising 10,000,000 shares at \$0.01 per share;
 - (iii) Any residual asset and shareholding in subsidiaries of the Company, including any proceeds from the assets sale (net of realisation costs).
 - (iv) Cash held by Administrators to the Company and each of its subsidiaries (incl any future GST refunds, etc);
- (c) The Company will consolidate its existing securities on a one (1) for two hundred (200) basis. For the avoidance of doubt, the Company will have 4,536,451 fully paid ordinary shares ("Shares") and no other material securities on issue post consolidation.
- (d) The Company will undertake the following capital raisings the through the issue of securities (on a post consolidation basis) ("**Capital Raisings**"):
- (i) an issue of up to 80,000,000 Shares at an issue price of \$0.01 each to FG Synergy and/or its nominees, via a Proponent Raising, together with 5 free attaching options for each share issued exercisable at \$0.01 on or before the date which is 4 years post their issue ("**Proponent Raising**");
- (e) The Capital Raisings are to be conducted in or about four months or such other date as mutually agreed between FG Synergy and the Administrator acting reasonably.
- 1.3 FG Synergy may vary the proposed capital structure and the structure of the Capital Raisings (including the Share consolidation and the terms of the Capital Raisings) at the discretion of FG Synergy or its nominees, subject to necessary regulatory and/or the Company shareholder approvals first being obtained (if required).

1.4 Proposed Capital Structure

	No. of Shares
Existing Shareholders (after consolidation)	4,536,451
Creditor Issue	10,000,000
Proponent Raising (maximum)	80,000,000
Total Shares	94,536,451

- 1.5 Priority claims will be dealt in according to relative sections of the Corporations Act.
- 1.6 The Administrator are to become the Deed Administrators of DOCA upon execution.

2. Conditions of Proposal

- 2.1 The above offer under the Proposal is subject to and conditional upon the following:
- (a) The Company to excise all subsidiaries;
 - (b) Approval by the Company's creditors at the creditors' meeting;
 - (c) The Secured Creditor agreeing to be bound by the Proposal;

- (d) All security interests over the property of the Company to be released;
- (e) All liabilities (including tax liabilities) of the Company as at settlement of the Proposal to be mutually released and compromised as between those parties under the DOCA;
- (f) The receipt of shareholder approval on all resolutions with respect to the Proposal;
- (g) Termination of the employment of all employees of the Company, if any, at no cost to the Company post the DOCA's;
- (h) All share options, if any, being cancelled;
- (i) All employee options and rights, if any, being cancelled;
- (j) All regulatory approvals and consents in relation to any aspect of the Proposal as may be required by its constitution, the Corporation Act, the ASIC, the ASX or the ASX Listing Rules.

3. Costs

3.1 FG Synergy will:

- (a) prepare the required general meeting materials and, as necessary, will submit these materials to ASX, the Australian Securities & Investments Commission and the Administrators for approval prior to despatch to the shareholders of the Company.
- (b) bear its own cost in relation to the preparation of the above documents which sums shall be reimbursed by the Company of the Creditor Payment and all such costs in the event that the Proposal is approved.

3.2 Administrators/Deed Administrators will bear its own cost in:

- (a) reviewing the above meeting materials.
- (b) preparing the first drafts of the DOCA(s) and Creditors' Trust Deeds.
- (c) appointing an independent expert if ASIC determines that an Independent Expert's Report is required to be included with the Notice of Meeting.

4. About FG Synergy

- 4.1 FG Synergy is an Australian subsidiary of Synergy Solution Management Group Limited ("the Group"). The Group, founded in 2005, is experienced in a broad range of corporate transactions including IPO, reverse takeover, recapitalisation and scheme of arrangements, DOCA, distressed advisory of listed companies in Australia, Hong Kong and the United States.
- 4.2 Over the past decades, the Group's senior management has advised the sophisticated cross-board recapitalisation and restructuring of companies on NASDAQ and Hong Kong Stock Exchange with total transaction value over US\$10 billion (Please refer to Appendix A for detail transaction record).
- 4.3 The Group has an extensive relationship with institutional investors, brokers and high net worth individuals in Australia, United States, Hong Kong, Singapore and China.

5. Binding offer and acceptance

- 5.1 This letter constitutes a binding offer by FG Synergy to the Administrator and the Company to undertake the recapitalisation of the Company on the terms and conditions of the Proposal set out above. It will be used with a view to preparing a term sheet to outline in greater detail how the Proposal is to be undertaken ("**Term Sheet**"). For the avoidance of doubt, other than paragraph 4.2, the offer in this letter is conditional upon the parties agreeing and signing the Term Sheet.
- 5.2 Notwithstanding paragraph 4.1, this letter, and all information, documents or discussions between the parties in relation to it, are confidential and must not be disclosed by FG Synergy, the Company, the Administrators (or any of their respective officers, employees, agents or contractors) to another person, except:
- (a) with the written consent of the other parties;
 - (b) to the extent required by law or court order;
 - (c) to the extent required by ASX Listing Rules; or
 - (d) on a confidential basis to a party's legal, accounting, financial, insurance and other professional advisors who require the information for the purposes of considering or giving effect to a transaction under this letter.
- 5.3 The offer in this letter remains open and capable of acceptance until 5:00 pm (Sydney time) on 31 May 2019 following which it will lapse without further notice.

Please contact Jerry Li on +852 56110467 or +61 2 8006 0183 to discuss any aspect of this proposal. We look forward to working with the Administrator to progress to the next stage of executing a binding Term Sheet.

Yours sincerely,

FIRST GUARDIAN SYNERGY CAPITAL PTY LTD



Ms Li Wei
Director

Appendix F Statement of Administrators' Opinion Pursuant to Section 439A(4)(B) of the *Corporations Act 2001*

WPG Resources Ltd A.C.N. 109 426 502
Challenger Gold Operations Pty Ltd A.C.N. 000 715 882
Tarcoola Gold Pty Ltd A.C.N. 137 063 140
Southern Coal Holdings Pty Ltd A.C.N. 142 504 827
Tunkillia Gold Pty Ltd A.C.N. 108 925 382
WPG Securities Pty Ltd A.C.N. 149 062 724
WPG Gawler Pty Ltd A.C.N. 130 640 041
(All Administrators Appointed)
Collectively ("the WPG Group")

This statement sets out our opinions in relation to the alternatives which the creditors of the WPG Group may consider at the second meeting of creditors to be held on 6 May 2019 in the Terrace 1, Stamford Plaza, 150 North Terrace, Adelaide, SA, 5000.

- ▶ It would not be in the creditors' interests to resolve to end the Administration at the second meeting of creditors. Our reason for this opinion is that the WPG Group is insolvent and cannot resume trading as a going concern.
- ▶ It is in the creditors' interests to resolve that WPG Resources Limited and Tunkillia Gold Pty Ltd execute a Deed of Company Arrangement at the second meeting of creditors, referred to as "DOCA 1" in this report. Our reason for this opinion is that it would provide a greater return to creditors than a Liquidation of these entities. Should DOCA 1 not be capable of acceptance at the second meeting of creditors, we are of the opinion that it is in creditors' interests that WPG Resources Limited execute a Deed of Company Arrangement at the second meeting of creditors, referred to as "DOCA 2" in this report.
- ▶ It is in the creditors' interests to resolve that Challenger Gold Operations, Tarcoola Gold, Southern Coal Holdings, WPG Securities and WPG Gawler be wound up at the second meeting of creditors. Our reason for this opinion is that the Companies are clearly insolvent and a suitable DOCA proposal has not been received. In the event DOCA 1 is not capable of acceptance at the second meeting, it is also in creditors' interests that Tunkillia Gold be wound up at the second meeting for the same reason.

DATED this 26th day of April 2019



Brett Lord
Administrator



Adam Nikitins
Administrator



Samuel Freeman
Administrator

Appendix G Remuneration Approval Report

WPG Resources Ltd (A.C.N. 109 426 502)
Challenger Gold Operations Pty Ltd (A.C.N. 000 715 882)
Tarcoola Gold Pty Ltd (A.C.N. 137 063 140)
Tunkillia Gold Pty Ltd (A.C.N. 108 925 382)
WPG Gawler Pty Ltd (A.C.N. 130 640 041)
WPG Securities Pty Ltd (A.C.N. 149 062 724)
Southern Coal Holdings Pty Ltd (A.C.N. 142 504 827)
(All Administrators Appointed)
Collectively ("the WPG Group")

Insolvency Practice Rules (Corporations) 2016 – 70-45

We refer to our Initial Remuneration Notice issued on 31 July 2018 setting out the method in which our remuneration has been calculated in the external administration of the WPG Group.

Pursuant to section 60-10 of the *Insolvency Practice Schedule (Corporations) 2016* ("IPS"), a determination specifying remuneration that external administrators are entitled to receive for necessary work properly performed by the external administrators may be made by a resolution of creditors, the committee of inspection or by the Court.

The purpose of this Remuneration Approval Report ("RAR") is to provide sufficient information to enable creditors to make an informed decision regarding the approval of our remuneration and internal disbursements for undertaking the external administration of the WPG Group.

As set out in the Notice of Meeting attached at Appendix A of this circular a second meeting of creditors has been convened to be held on 6 May 2019 at which we intend to ask creditors to consider and if seen fit pass the resolutions set out in this RAR in relation to our current and future remuneration for acting as Administrators of each entity in the WPG Group.

For the sake of convenience, this RAR is set out under the following headings.

1. Declaration.
2. Executive summary.
3. Details of remuneration.
4. Total remuneration reconciliation.
5. Likely impact of remuneration on dividends to creditors.
6. Remuneration recoverable from external sources.
7. Disbursements.
8. Report on the progress of the external administration.
9. Summary of receipts and payments.
10. General queries.

Part 1: Declaration

We, Brett Lord, Adam Nikitins and Samuel Freeman of Ernst and Young, have undertaken a proper assessment of this remuneration claim for our appointment as external administrators of the WPG Group in accordance with the law and applicable professional standards. We are satisfied that the remuneration and disbursements claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the external administration of the WPG Group.

Part 2: Executive Summary

In our Initial Remuneration Notice issued on 31 July 2018 we estimated that the voluntary administration of the WPG Group will cost approximately \$400,000 to \$500,000 (excl. GST). At the time of this report, the total estimated remuneration we have incurred and expect to incur has increased due predominantly to the two extensions of the convening period, resulting in an Administration period that was approximately eight months longer than first anticipated.

The remuneration currently being claimed is summarised for review in the below table.

Table 1: Executive Summary – Remuneration		
	Report reference	Amount (\$ ex GST)
WPG Resources Ltd remuneration approval sought		
1. Voluntary Administration: 1 October 2018 to 5 April 2019	Schedule 1	84,429.50
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	30,000.00
Total for Voluntary Administration		114,429.50
3. Deed of Company Arrangement: Date of execution of the Deed of Company Arrangement to effectuation of the Deed of Company Arrangement (if applicable)*	Schedule 3	60,000.00
Total for Deed of Company Arrangement		60,000.00
4. Liquidation: 6 May 2019 to completion of the liquidation (if applicable)*	Schedule 4	25,000.00
Total for Liquidation		25,000.00
Challenger Gold Operations Pty Ltd remuneration approval sought		
1. Voluntary Administration: 1 October 2018 to 5 April 2019	Schedule 1	208,196.00
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	10,000.00
Total for Voluntary Administration		218,196.00
3. Liquidation: 6 May 2019 to completion of the liquidation	Schedule 4	50,000.00
Total for Liquidation		50,000.00
Tarcoola Gold Pty Ltd remuneration approval sought		
1. Voluntary Administration: 1 October 2018 to 5 April 2019	Schedule 1	52,437.00
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	10,000.00
Total for Voluntary Administration		62,437.00
3. Liquidation: 6 May 2019 to completion of the liquidation	Schedule 4	25,000.00
Total for Liquidation		25,000.00
Tunkillia Gold Pty Ltd remuneration approval sought		
1. Voluntary Administration: 30 July 2018 to 5 April 2019	Schedule 1	15,432.00
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	10,000.00
Total for Voluntary Administration		25,432.00
3. Liquidation: 6 May 2019 to completion of the liquidation (if applicable)*	Schedule 4	10,000.00

Total for Liquidation		10,000.00
WPG Gawler Pty Ltd remuneration approval sought	Report reference	Amount (\$ ex GST)
1. Voluntary Administration: 30 July 2018 to 5 April 2019	Schedule 1	28,069.00
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	10,000.00
Total for Voluntary Administration		38,069.00
3. Liquidation: 6 May 2019 to completion of the liquidation	Schedule 4	10,000.00
Total for Liquidation		10,000.00
WPG Securities Pty Ltd remuneration approval sought	Report reference	Amount (\$ ex GST)
1. Voluntary Administration: 30 July 2018 to 5 April 2019	Schedule 1	14,640.00
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	5,000.00
Total for Voluntary Administration		19,640.00
3. Liquidation: 6 May 2019 to completion of the liquidation	Schedule 4	5,000.00
Total for Liquidation		5,000.00
Southern Coal Holdings Pty Ltd remuneration approval sought	Report reference	Amount (\$ ex GST)
1. Voluntary Administration: 30 July 2018 to 5 April 2019	Schedule 1	15,450.00
2. Voluntary Administration: 6 April 2019 to end of Voluntary Administration	Schedule 2	5,000.00
Total for Voluntary Administration		20,450.00
3. Liquidation: 6 May 2019 to completion of the liquidation	Schedule 4	5,000.00
Total for Liquidation		5,000.00
* Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the administration. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

We are not seeking creditor approval of disbursements incurred at this point in time. All disbursements incurred have been charged at cost.

Please refer to report section references detailed in the above table for full details of the calculation and composition of the remuneration approval and internal disbursement approval being sought from creditors.

Part 3: Details of Remuneration

3.1 Remuneration claim resolutions

The first series of resolutions will be in relation to our retrospective remuneration as Administrators for the period 1 October 2018 to 5 April 2019 for WPG Resources Ltd, Challenger Gold Operations Pty Ltd and Tarcoola Gold Pty Ltd. For Tunkillia Gold Pty Ltd, WPG Gawler Pty Ltd, WPG Securities Pty Ltd, and Southern Coal Holdings Pty Ltd, the first resolutions are from 30 July 2018 to 5 April 2019 and are as follows:

Table 2: Retrospective remuneration for the Voluntary Administration	
Entity	Resolution 1: 1 October 2018 to 5 April 2019 and 30 July 2018 to 5 April 2019
WPG Resources Ltd	"That the remuneration of the Administrators for the period 1 October 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$84,429.50 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."
Challenger Gold	"That the remuneration of the Administrators for the period 1 October 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in

Operations Pty Ltd	the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$208,196.00 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."
Tarcoola Gold Pty Ltd	"That the remuneration of the Administrators for the period 1 October 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$52,437.00 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."
Tunkillia Gold Pty Ltd	"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$15,432.00 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."
WPG Gawler Pty Ltd	"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$28,069.00 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."
WPG Securities Pty Ltd	"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$14,640.00 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."
Southern Coal Holdings Pty Ltd	"That the remuneration of the Administrators for the period 30 July 2018 to 5 April 2019 be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved for payment in the sum of \$15,450.00 (excl. GST), and that the Administrators can draw the remuneration immediately or as required."

The second series of resolutions will be in relation to our prospective remuneration as Administrators for the period 6 April 2019 to the end of Voluntary Administration and are as follows:

Table 3: Prospective remuneration from 6 April 2019 to the end of Voluntary Administration	
Entity	Resolution 2: 6 April 2019 to the end of Voluntary Administration
WPG Resources Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$30,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."
Challenger Gold Operations Pty Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."
Tarcoola Gold Pty Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."
Tunkillia Gold Pty Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."
WPG Gawler Pty Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."
WPG Securities Pty Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."
Southern Coal Holdings Pty Ltd	"That the future remuneration of the Administrators for the period 6 April 2019 to the end of Voluntary Administration be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."

Should creditors resolve that DOCA 1 or DOCA 2 be accepted at the second meeting of creditors on 6 May 2019, we will propose the following resolution in relation to the future remuneration of the Deed Administrators for the period from the date of the execution of the DOCA to the date of effectuation of the DOCA. Please note we are not seeking remuneration approval in relation to Tunkillia (should DOCA 1 be accepted by creditors).

Table 4: Prospective remuneration from the Date of effectuation of the DOCA to the execution of the DOCA	
Entity	Resolution 3 (if applicable): Date of effectuation of the DOCA to the execution of the DOCA
WPG Resources Ltd	"That the future remuneration of the Administrators for the period from the date of effectuation of the Deed of Company Arrangement to the date of the execution of the Deed of Company Arrangement be determined at a sum equal to the cost of time spent by the Administrators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial

Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$60,000.00 (excl. GST), and that the Administrators can draw the remuneration on a monthly basis or as required."

Should creditors resolve that the Companies be wound up at the second meeting of creditors on 6 May 2019, we will propose the following series of resolutions for our prospective remuneration in the liquidations.

Table 5: Prospective remuneration for Liquidation	
Entity	Resolution 4 (if applicable): 6 May to completion of the liquidation
WPG Resources Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$25,000 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."
Challenger Gold Operations Pty Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$50,000.00 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."
Tarcoola Gold Pty Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$25,000.00 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."
Tunkillia Gold Pty Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000.00 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."
WPG Gawler Pty Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$10,000.00 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."
WPG Securities Pty Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000.00 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."
Southern Coal Holdings Pty Ltd	"That the future remuneration of the Liquidators for the period 6 May 2019 to completion of the liquidation be determined at a sum equal to the cost of time spent by the Liquidators, the Ernst and Young partners and staff, calculated at the hourly rates as detailed in the Initial Remuneration Notice dated 31 July 2018, is approved up to a capped amount of \$5,000.00 (excl. GST), and that the Liquidators can draw the remuneration on a monthly basis or as required."

3.2 Calculation of remuneration

The tasks which are undertaken can be broadly divided into seven (7) categories. These are:

- ▶ Assets;
- ▶ Creditors;
- ▶ Employees;
- ▶ Trade On;
- ▶ Dividend;
- ▶ Investigation; and
- ▶ Administration.

The calculations of our remuneration claims in section 3.1 above are set out in the below tables. The details of the major tasks performed by category and the costs associated with each of those major tasks are contained in Schedules 1 to 4 of this RAR.

Resolution Series 1 – Calculation of remuneration for the period 1 October to 5 April 2019 and 30 July 2018 to 5 April 2019.

The below tables set out time charged to each major task area by the Administrators, the Ernst and Young partners and staff members working on the administration for the above periods. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule 1 of this RAR.

WPG Resources Ltd - 1 October 2018 to 5 April 2019

Employee	Position	\$ /hour (ex GST)	Total		Administration		Assets - Fixed		Creditors		Dividend		Employees		Investigation		Trade On	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord,Brett Stephen	Partner	\$650	31.0	20,150.00	11.10	7,215.00	1.70	1,105.00	18.00	11,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	130.00
Nikitins,Adam Pauls	Partner	\$650	0.3	195.00	0.30	195.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hilario,Ana Catarina	Senior M anager 1	\$550	0.7	385.00	0.50	275.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	110.00
Lawless,Michael Allan	Senior M anager 1	\$550	51.2	28,160.00	9.70	5,335.00	0.00	0.00	27.80	15,290.00	0.00	0.00	0.00	0.00	13.50	7,425.00	0.20	110.00
Lawless,Michael Allan	Manager 1	\$485	1.2	582.00	0.00	0.00	0.00	0.00	1.20	582.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Swan,Greshan	Manager 1	\$485	1.5	727.50	1.00	485.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	242.50	0.00	0.00
Donner,Harrison	Senior Consultant	\$395	0.4	158.00	0.00	0.00	0.00	0.00	0.40	158.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Lee,Kathy	Senior Consultant	\$395	0.6	237.00	0.60	237.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Magoffin,Richard James	Senior Consultant	\$395	28.0	11,060.00	3.10	1,224.50	0.30	118.50	11.00	4,345.00	0.00	0.00	0.00	0.00	13.60	5,372.00	0.00	0.00
Thomas,Jared	Senior Consultant	\$395	35.4	13,983.00	20.90	8,255.50	0.00	0.00	3.50	1,382.50	0.00	0.00	0.00	0.00	2.00	790.00	9.00	3,555.00
Devine,Russell	Senior Consultant	\$395	1.9	750.50	1.90	750.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
M utreja,Sameer	Senior Consultant	\$395	0.3	118.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	118.50
Donner,Harrison	Consultant 3	\$285	0.6	171.00	0.60	171.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Farrell,Samuel	Consultant 3	\$285	5.1	1,453.50	0.80	228.00	0.00	0.00	0.80	228.00	0.00	0.00	0.00	0.00	3.50	997.50	0.00	0.00
Ma,Emily	Consultant 3	\$285	6.3	1,795.50	2.90	826.50	0.00	0.00	3.40	969.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Van Der Laan,Angela	Consultant 3	\$285	1.5	427.50	0.70	199.50	0.00	0.00	0.50	142.50	0.30	85.50	0.00	0.00	0.00	0.00	0.00	0.00
Mittal,Prachi	Consultant 2	\$285	8.1	2,308.50	8.10	2,308.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Saxena,Rupal	Consultant 2	\$285	0.5	142.50	0.50	142.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gupta,Shivam	Consultant 1	\$285	1.4	399.00	0.60	171.00	0.00	0.00	0.00	0.00	0.00	0.00	0.80	228.00	0.00	0.00	0.00	0.00
Verma,Arpita	Consultant 1	\$285	0.2	57.00	0.20	57.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Verma,Geetika	Consultant 1	\$285	1.1	313.50	1.10	313.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Riddell,Matthew	Consultant 1	\$285	0.2	57.00	0.10	28.50	0.00	0.00	0.10	28.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creighton-Jones,Nicole	Intern 2	\$285	1.4	399.00	0.20	57.00	0.00	0.00	1.20	342.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Wong,Janette	Intern 1	\$285	1.4	399.00	1.40	399.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total			180.3	84,429.50	66.30	28,874.50	2.00	1,223.50	67.90	35,167.50	0.30	85.50	0.80	228.00	33.10	14,827.00	9.90	4,023.50
GST				8,442.95														
Total (Incl. GST)				92,872.45														

Challenger Gold Operations Pty Ltd 1 October 2018 to 5 April 2019

Employee	Position	\$ / hour (ex GST)	Total		Administration		Assets - Fixed		Creditors		Dividend		Employees		Investigation		Trade On	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord,Brett Stephen	Partner	\$650.00	70.1	\$45,565.00	15.2	\$9,880.00	0.0	\$0.00	22.7	\$14,755.00	0.0	\$0.00	0.0	\$0.00	2.6	\$1,690.00	29.6	\$19,240.00
Nikitins,Adam Pauls	Partner	\$650.00	3.5	\$2,275.00	3.5	\$2,275.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Clubb,Duncan Edward	Director	\$595.00	3.6	\$2,142.00	3.6	\$2,142.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Hilario,Ana Catarina	Senior Manager 1	\$550.00	47.3	\$26,015.00	11.5	\$6,325.00	0.0	\$0.00	32.3	\$17,765.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	3.5	\$1,925.00
Lawless,Michael Allan	Senior Manager 1	\$550.00	53.5	\$29,425.00	7.8	\$4,290.00	0.0	\$0.00	30.5	\$16,775.00	0.0	\$0.00	0.0	\$0.00	13.4	\$7,370.00	1.8	\$990.00
Lawless,Michael Allan	Manager 1	\$485.00	55.0	\$26,675.00	5.9	\$2,861.50	0.1	\$48.50	15.5	\$7,517.50	0.0	\$0.00	0.0	\$0.00	2.0	\$970.00	3.15	\$15,277.50
Knights,Matthew Jared	Senior Consultant 3	\$395.00	0.2	\$79.00	0.0	\$0.00	0.0	\$0.00	0.2	\$79.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Magoffin,Richard James	Senior Consultant 3	\$395.00	18.8	\$7,426.00	3.3	\$1,303.50	0.4	\$158.00	6.2	\$2,449.00	0.0	\$0.00	0.0	\$0.00	8.9	\$3,515.50	0.0	\$0.00
Thomas,Jared	Senior Consultant 3	\$395.00	6.8	\$2,686.00	3.5	\$1,382.50	0.0	\$0.00	1.2	\$474.00	0.0	\$0.00	0.0	\$0.00	2.1	\$829.50	0.0	\$0.00
Thorquindt-Stumpf,Kamil	Senior Consultant 1	\$395.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mutreja,Sameer	Senior Consultant 1	\$395.00	1.7	\$671.50	0.2	\$79.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	1.5	\$592.50
Donner,Harrison	Consultant 3	\$285.00	8.7	\$2,479.50	0.4	\$114.00	0.0	\$0.00	1.5	\$427.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	6.8	\$1,938.00
Farrell,Samuel	Consultant 3	\$285.00	16.6	\$4,731.00	2.0	\$570.00	0.0	\$0.00	3.1	\$883.50	0.0	\$0.00	0.0	\$0.00	11.5	\$3,277.50	0.0	\$0.00
Knights,Matthew Jared	Consultant 3	\$285.00	8.1	\$2,308.50	0.5	\$142.50	0.0	\$0.00	6.6	\$1,881.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	1.0	\$285.00
Ma,Emily	Consultant 3	\$285.00	11.1	\$3,163.50	4.6	\$1,311.00	0.0	\$0.00	6.5	\$1,852.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Lee,Kathy	Consultant 3	\$285.00	12.2	\$3,477.00	0.3	\$85.50	0.0	\$0.00	5.9	\$1,681.50	0.0	\$0.00	6.0	\$1,710.00	0.0	\$0.00	0.0	\$0.00
Van Der Laan,Angela	Consultant 3	\$285.00	9.6	\$2,736.00	3.2	\$912.00	0.0	\$0.00	3.0	\$855.00	0.5	\$142.50	0.0	\$0.00	0.0	\$0.00	2.9	\$826.50
Mutreja,Sameer	Consultant 2	\$285.00	2.4	\$684.00	0.8	\$228.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	1.6	\$456.00
Mittal,Prachi	Consultant 2	\$285.00	10.3	\$2,935.50	10.3	\$2,935.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Saxena,Rupal	Consultant 2	\$285.00	0.5	\$142.50	0.5	\$142.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Gupta,Shivam	Consultant 1	\$285.00	20.8	\$5,928.00	3.2	\$912.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	2.8	\$798.00	0.0	\$0.00	14.8	\$4,218.00
Ma,Emily	Consultant 1	\$285.00	16.0	\$4,560.00	5.2	\$1,482.00	0.0	\$0.00	9.9	\$2,821.50	0.0	\$0.00	0.0	\$0.00	0.5	\$142.50	0.4	\$114.00
Van Der Laan,Angela	Consultant 1	\$285.00	45.1	\$12,853.50	11.9	\$3,391.50	0.0	\$0.00	1.3	\$370.50	0.0	\$0.00	0.3	\$85.50	0.0	\$0.00	31.6	\$9,006.00
Mittal,Prachi	Consultant 1	\$285.00	18.9	\$5,386.50	13.8	\$3,933.00	0.0	\$0.00	2.7	\$769.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	2.4	\$684.00
Saxena,Rupal	Consultant 1	\$285.00	7.0	\$1,995.00	7.0	\$1,995.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Verma,Arpita	Consultant 1	\$285.00	0.3	\$85.50	0.3	\$85.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Jain,Akanksha	Consultant 1	\$285.00	0.6	\$171.00	0.6	\$171.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Verma,Geetika	Consultant 1	\$285.00	2.1	\$598.50	2.1	\$598.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Riddell,Matthew	Consultant 1	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Creighton-Jones,Nicole	Intern 2	\$285.00	37.3	\$10,630.50	11.3	\$3,220.50	0.0	\$0.00	23.2	\$6,612.00	0.0	\$0.00	0.3	\$85.50	0.9	\$256.50	1.6	\$456.00
Wong,Janette	Intern 1	\$285.00	12	\$342.00	12	\$342.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Total			489.4	\$ 208,196.00	133.8	\$ 53,139.00	0.5	206.5	172.3	\$ 77,969.00	0.5	142.5	9.4	\$ 2,679.00	41.9	\$ 18,051.50	131.0	\$ 56,008.50
GST				\$20,819.60														
Total (Incl. GST)				\$229,015.60														

Tarcoola Gold Pty Ltd 1 October 2018 to 5 April 2019

Employee	Position	\$ / hour (exGST)	Total		Administration		Assets - Fixed		Creditors		Employees		Investigation		Trade On	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord,Brett Stephen	Partner	650	15.40	10,010.00	4.50	2,925.00	0.00	0.00	10.40	6,760.00	0.00	0.00	0.00	0.00	0.50	325.00
Hilario,Ana Catarina	Senior Manager 1	550	0.60	330.00	0.40	220.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	110.00
Lawless,Michael Allan	Senior Manager 1	550	46.30	25,465.00	7.50	4,125.00	0.00	0.00	26.00	14,300.00	0.00	0.00	11.70	6,435.00	1.10	605.00
Lawless,Michael Allan	Manager 1	485	0.80	388.00	0.00	0.00	0.00	0.00	0.80	388.00	0.00	0.00	0.00	0.00	0.00	0.00
Magoffin,Richard James	Senior Consultant 3	395	15.70	6,201.50	6.00	2,370.00	0.10	39.50	2.80	1,106.00	0.00	0.00	6.80	2,686.00	0.00	0.00
Thomas,Jared	Senior Consultant 3	395	4.40	1,738.00	3.50	1,382.50	0.00	0.00	0.10	39.50	0.00	0.00	0.80	316.00	0.00	0.00
Mutreja,Sameer	Senior Consultant 3	395	0.10	39.50	0.10	39.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Donner,Harrison	Consultant 3	285	0.60	171.00	0.00	0.00	0.00	0.00	0.60	171.00	0.00	0.00	0.00	0.00	0.00	0.00
Farrell,Samuel	Consultant 3	285	2.90	826.50	1.50	427.50	0.00	0.00	0.00	0.00	0.00	0.00	1.40	399.00	0.00	0.00
Ma,Emily	Consultant 3	285	8.20	2,337.00	4.40	1,254.00	0.00	0.00	3.80	1,083.00	0.00	0.00	0.00	0.00	0.00	0.00
Van Der Laan,Angela	Consultant 3	285	1.60	456.00	1.20	342.00	0.00	0.00	0.30	85.50	0.00	0.00	0.00	0.00	0.10	28.50
Mittal,Prachi	Consultant 2	285	5.50	1,567.50	5.50	1,567.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Saxena,Rupal	Consultant 2	285	0.50	142.50	0.50	142.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Gupta,Shivam	Consultant 1	285	1.70	484.50	0.00	0.00	0.00	0.00	0.00	0.00	1.70	484.50	0.00	0.00	0.00	0.00
Van Der Laan,Angela	Consultant 1	285	0.50	142.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	142.50
Jain,Akanksha	Consultant 1	285	0.30	85.50	0.30	85.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Verma,Geetika	Consultant 1	285	0.60	171.00	0.60	171.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Riddell,Matthew	Consultant 1	285	0.10	28.50	0.10	28.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creighton-Jones,Nicole	Intern 2	285	5.30	1,510.50	2.40	684.00	0.00	0.00	2.90	826.50	0.00	0.00	0.00	0.00	0.00	0.00
Wong,Janette	Intern 1	285	1.20	342.00	1.20	342.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total			112.30	52,437.00	39.70	16,106.50	0.10	39.50	47.70	24,759.50	1.70	484.50	20.70	9,836.00	2.40	1,211.00
GST				\$5,243.70												
Total (Incl. GST)				\$57,680.70												

Tunkillia Gold Pty Ltd 30 July 2018 to 5 April 2019

Employee	Position	\$ / hour	Total		Administration		Assets - Fixed		Creditors		Investigation	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord, Brett Stephen	Partner	\$650.00	5.5	\$3,575.00	1.1	\$715.00	0.0	\$0.00	4.4	\$2,860.00	0.0	\$0.00
Hilario, Ana Catarina	Senior Manager 1	\$550.00	2.5	\$1,375.00	1.5	\$825.00	0.0	\$0.00	1.0	\$550.00	0.0	\$0.00
Lawless, Michael Allan	Senior Manager 1	\$550.00	5.2	\$2,860.00	0.7	\$385.00	0.0	\$0.00	4.5	\$2,475.00	0.0	\$0.00
Lawless, Michael Allan	Manager 1	\$485.00	2.2	\$1,067.00	0.7	\$339.50	0.1	\$48.50	1.4	\$679.00	0.0	\$0.00
Farrell, Samuel	Consultant 3	\$285.00	1.1	\$313.50	0.5	\$142.50	0.0	\$0.00	0.6	\$171.00	0.0	\$0.00
Wright-Duke, Joshua Stephen	Consultant 3	\$285.00	3.5	\$997.50	0.0	\$0.00	0.0	\$0.00	3.5	\$997.50	0.0	\$0.00
Ma, Emily	Consultant 3	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mutreja, Sameer	Consultant 2	\$285.00	0.5	\$142.50	0.2	\$57.00	0.0	\$0.00	0.3	\$85.50	0.0	\$0.00
Mittal, Prachi	Consultant 2	\$285.00	3.2	\$912.00	3.2	\$912.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Ma, Emily	Consultant 1	\$285.00	2.7	\$769.50	0.6	\$171.00	0.0	\$0.00	1.5	\$427.50	0.6	\$171.00
Van Der Laan, Angela	Consultant 1	\$285.00	0.2	\$57.00	0.0	\$0.00	0.0	\$0.00	0.2	\$57.00	0.0	\$0.00
Mittal, Prachi	Consultant 1	\$285.00	2.1	\$598.50	2.1	\$598.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Saxena, Rupal	Consultant 1	\$285.00	0.5	\$142.50	0.5	\$142.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Riddell, Matthew	Consultant 1	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Creighton-Jones, Nicole	Intern 2	\$285.00	8.2	\$2,337.00	5.8	\$1,653.00	0.0	\$0.00	2.3	\$655.50	0.1	\$28.50
Wong, Janette	Intern 1	\$285.00	0.8	\$228.00	0.8	\$228.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Total			38.4	\$15,432.00	17.9	6226.0	0.1	48.5	19.7	8958.0	0.7	199.5
GST				\$1,543.20								
Total (Incl. GST)				\$16,975.20								

WPG Gawler Pty Ltd 30 July 2018 to 5 April 2019

Employee	Position	\$ / hour (ex GST)	Total		Administration		Assets - Fixed		Creditors		Investigation	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord,Brett Stephen	Partner	650	6.7	\$4,355.00	2.10	1365.00	0.00	0.00	4.60	2990.00	0.00	0.00
Nikitins,Adam Pauls	Partner	650	13	\$845.00	1.30	845.00	0.00	0.00	0.00	0.00	0.00	0.00
Hilario,A na Catarina	Senior Manager 1	550	2.5	\$1,375.00	1.50	825.00	0.00	0.00	1.00	550.00	0.00	0.00
Lawless,M ichael Allan	Senior Manager 1	550	16.4	\$9,020.00	2.00	1100.00	0.00	0.00	11.20	6160.00	3.20	1760.00
Lawless,M ichael Allan	Manager 1	485	4.1	\$1,988.50	2.30	1115.50	0.40	194.00	1.40	679.00	0.00	0.00
Magoffin,Richard James	Senior Consultant	395	10.6	\$4,187.00	0.30	118.50	0.20	79.00	3.50	1382.50	6.60	2607.00
Farrell,Samuel	Consultant 3	285	1.1	\$313.50	0.50	142.50	0.00	0.00	0.60	171.00	0.00	0.00
Knights,M atthew Jared	Consultant 3	285	0.3	\$85.50	0.30	85.50	0.00	0.00	0.00	0.00	0.00	0.00
Wright-Duke,Joshua Stepl	Consultant 3	285	2.5	\$712.50	0.00	0.00	0.00	0.00	2.50	712.50	0.00	0.00
Ma,Emily	Consultant 3	285	0.1	\$28.50	0.10	28.50	0.00	0.00	0.00	0.00	0.00	0.00
Mutreja,Sameer	Consultant 2	285	0.4	\$114.00	0.00	0.00	0.00	0.00	0.40	114.00	0.00	0.00
Mittal,Prachi	Consultant 2	285	3.0	\$855.00	3.00	855.00	0.00	0.00	0.00	0.00	0.00	0.00
Ma,Emily	Consultant 1	285	2.4	\$684.00	0.60	171.00	0.00	0.00	1.50	427.50	0.30	85.50
Van Der Laan,Angela	Consultant 1	285	0.8	\$228.00	0.60	171.00	0.00	0.00	0.20	57.00	0.00	0.00
Mittal,Prachi	Consultant 1	285	2.6	\$741.00	2.60	741.00	0.00	0.00	0.00	0.00	0.00	0.00
Saxena,Rupal	Consultant 1	285	0.5	\$142.50	0.50	142.50	0.00	0.00	0.00	0.00	0.00	0.00
Jain,Akanksha	Consultant 1	285	0.2	\$57.00	0.00	0.00	0.00	0.00	0.20	57.00	0.00	0.00
Riddell,Matthew	Consultant 1	285	0.1	\$28.50	0.10	28.50	0.00	0.00	0.00	0.00	0.00	0.00
Creighton-Jones,Nicole	Intern 2	285	7.3	\$2,080.50	4.90	1396.50	0.00	0.00	2.30	655.50	0.10	28.50
Wong,Janette	Intern 1	285	0.8	\$228.00	0.80	228.00	0.00	0.00	0.00	0.00	0.00	0.00
Total			63.7	\$28,069.00	23.50	\$9,359.00	0.60	\$273.00	29.40	\$13,956.00	10.20	\$4,481.00
GST				\$2,806.90								
Total (Incl. GST)				\$30,875.90								

WPG Securities Pty Ltd 30 July 2018 to 5 April 2019

Employee	Position	\$ / hour	Total		Administration		Assets - Fixed		Creditors		Employees		Investigation		Trade On	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord, Brett Stephen	Partner	\$650.00	6.5	\$4,225.00	1.7	\$1,105.00	0.0	\$0.00	4.5	\$2,925.00	0.0	\$0.00	0.0	\$0.00	0.3	\$195.00
Hilario, Ana Catarina	Senior Manager 1	\$550.00	2.6	\$1,430.00	1.5	\$825.00	0.0	\$0.00	1.1	\$605.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Lawless, Michael Allan	Senior Manager 1	\$550.00	4.1	\$2,255.00	0.6	\$330.00	0.0	\$0.00	3.5	\$1,925.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Lawless, Michael Allan	Manager 1	\$485.00	2.3	\$1,115.50	0.8	\$388.00	0.1	\$48.50	1.4	\$679.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Thorquindt-Stumpf, Kamil	Senior Consultant 1	\$395.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Farrell, Samuel	Consultant 3	\$285.00	1.5	\$427.50	0.6	\$171.00	0.0	\$0.00	0.9	\$256.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Wright-Duke, Joshua Stephen	Consultant 3	\$285.00	2.5	\$712.50	0.0	\$0.00	0.0	\$0.00	2.5	\$712.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Ma, Emily	Consultant 3	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mutreja, Sameer	Consultant 2	\$285.00	0.4	\$114.00	0.1	\$28.50	0.0	\$0.00	0.3	\$85.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mittal, Prachi	Consultant 2	\$285.00	2.1	\$598.50	2.1	\$598.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Ma, Emily	Consultant 1	\$285.00	2.1	\$598.50	0.5	\$142.50	0.0	\$0.00	1.5	\$427.50	0.0	\$0.00	0.1	\$28.50	0.0	\$0.00
Van Der Laan, Angela	Consultant 1	\$285.00	0.2	\$57.00	0.0	\$0.00	0.0	\$0.00	0.2	\$57.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mittal, Prachi	Consultant 1	\$285.00	2.6	\$741.00	2.6	\$741.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Saxena, Rupal	Consultant 1	\$285.00	0.5	\$142.50	0.5	\$142.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Riddell, Matthew	Consultant 1	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Creighton-Jones, Nicole	Intern 2	\$285.00	6.8	\$1,938.00	4.5	\$1,282.50	0.0	\$0.00	2.1	\$598.50	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00
Wong, Janette	Intern 1	\$285.00	0.8	\$228.00	0.8	\$228.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Total			35.2	\$14,640.00	16.5	6039.5	0.1	48.5	18.0	8271.5	0.1	28.5	0.2	57.0	0.3	195.0
GST				\$1,464.00												
Total (Incl. GST)				\$16,104.00												

Southern Coal Holdings Pty Ltd 30 July 2018 to 5 April 2019

Employee	Position	\$ / hour	Total		Administration		Assets - Fixed		Creditors		Investigation	
			Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$
Lord, Brett Stephen	Partner	\$650.00	5.6	\$3,640.00	1.1	\$715.00	0.0	\$0.00	4.5	\$2,925.00	0.0	\$0.00
Hilario, Ana Catarina	Senior Manager 1	\$550.00	2.5	\$1,375.00	1.5	\$825.00	0.0	\$0.00	1.0	\$550.00	0.0	\$0.00
Lawless, Michael Allan	Senior Manager 1	\$550.00	4.7	\$2,585.00	0.7	\$385.00	0.0	\$0.00	4.0	\$2,200.00	0.0	\$0.00
Lawless, Michael Allan	Manager 1	\$485.00	2.2	\$1,067.00	0.7	\$339.50	0.1	\$48.50	1.4	\$679.00	0.0	\$0.00
Thorquindt-Stumpf, Kamil	Senior Consultant 1	\$395.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Farrell, Samuel	Consultant 3	\$285.00	1.1	\$313.50	0.5	\$142.50	0.0	\$0.00	0.6	\$171.00	0.0	\$0.00
Wright-Duke, Joshua Stephen	Consultant 3	\$285.00	1.5	\$427.50	0.0	\$0.00	0.0	\$0.00	1.5	\$427.50	0.0	\$0.00
Ma, Emily	Consultant 3	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mutreja, Sameer	Consultant 2	\$285.00	0.5	\$142.50	0.2	\$57.00	0.0	\$0.00	0.3	\$85.50	0.0	\$0.00
Mittal, Prachi	Consultant 2	\$285.00	1.9	\$541.50	1.9	\$541.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Ma, Emily	Consultant 1	\$285.00	2.5	\$712.50	0.6	\$171.00	0.0	\$0.00	1.5	\$427.50	0.4	\$114.00
Van Der Laan, Angela	Consultant 1	\$285.00	0.2	\$57.00	0.0	\$0.00	0.0	\$0.00	0.2	\$57.00	0.0	\$0.00
Mittal, Prachi	Consultant 1	\$285.00	5.2	\$1,482.00	5.2	\$1,482.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Saxena, Rupal	Consultant 1	\$285.00	0.5	\$142.50	0.5	\$142.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Riddell, Matthew	Consultant 1	\$285.00	0.1	\$28.50	0.1	\$28.50	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Creighton-Jones, Nicole	Intern 2	\$285.00	9.4	\$2,679.00	5.3	\$1,510.50	0.0	\$0.00	4.0	\$1,140.00	0.1	\$28.50
Wong, Janette	Intern 1	\$285.00	0.8	\$228.00	0.8	\$228.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Total			38.8	\$15,450.00	19.2	6596.5	0.1	48.5	19.0	8662.5	0.5	142.5
GST				\$1,545.00								
Total (Incl. GST)				\$16,995.00								

Resolution Series 2 – Calculation of remuneration for the period 6 April 2019 to the end of Voluntary Administration

The below tables set out the estimated time to be charged to each major task area by the Administrators, the Ernst and Young partners and staff members working on the administration for the period 6 April 2019 to the end of Voluntary Administration which is the basis of the Resolution Series 2 claims. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule 2 of this RAR.

WPG Resources Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord,Brett Stephen	Partner	\$650.00	8.0	\$5,200.00	4.0	\$2,600.00	2.0	\$1,300.00	2.0	\$1,300.00
Nikitins,Adam Pauls	Partner	\$650.00	2.0	\$1,300.00	1.0	\$650.00	-	\$0.00	1.0	\$650.00
Lawless,Michael Allan	Associate Director	\$550.00	19.0	\$10,450.00	7.0	\$3,850.00	7.0	\$3,850.00	5.0	\$2,750.00
Magoffin, Rick	Senior Consultant	\$395.00	19.0	\$7,505.00	7.0	\$2,765.00	7.0	\$2,765.00	5.0	\$1,975.00
Farrell, Samuel	Consultant	\$285.00	9.5	\$2,707.50	4.0	\$1,140.00	4.0	\$1,140.00	1.5	\$427.50
Creighton-Jones,Nicole	Consultant	\$285.00	5.0	\$1,425.00	3.0	\$855.00	2.0	\$570.00	-	\$0.00
Ma,Emily	Consultant	\$285.00	5.0	\$1,412.50	2.4	\$672.03	2.0	\$570.00	0.6	\$170.47
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			67.5	\$30,000.00	28.4	\$12,532.03	24.0	\$10,195.00	15.1	\$7,272.97
GST					\$3,000.00					
TOTAL (including GST)					\$33,000.00					

Challenger Gold Operations Pty Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord,Brett Stephen	Partner	\$650.00	3.5	\$2,275.00	1.0	\$650.00	2.0	\$1,300.00	0.5	\$325.00
Nikitins,Adam Pauls	Partner	\$650.00	1.0	\$650.00	1.0	\$650.00	-	\$0.00	-	\$0.00
Lawless,Michael Allan	Associate Director	\$550.00	5.0	\$2,750.00	1.0	\$550.00	3.0	\$1,650.00	1.0	\$550.00
Magoffin, Rick	Senior Consultant	\$395.00	7.0	\$2,765.00	2.0	\$790.00	3.0	\$1,185.00	2.0	\$790.00
Farrell, Samuel	Consultant	\$285.00	3.1	\$883.50	1.0	\$285.00	1.0	\$285.00	1.1	\$313.50
Creighton-Jones,Nicole	Consultant	\$285.00	1.0	\$285.00	1.0	\$285.00	-	\$0.00	-	\$0.00
Ma,Emily	Consultant	\$285.00	1.4	\$391.50	1.0	\$285.00	-	\$0.00	0.374	\$106.50
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			22.0	\$10,000.00	8.0	\$3,495.00	9.0	\$4,420.00	5.0	\$2,085.00
GST					\$1,000.00					
TOTAL (including GST)					\$11,000.00					

Tarcoola Gold Pty Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	3.5	\$2,275.00	1.0	\$650.00	2.0	\$1,300.00	0.5	\$325.00
Nikitins, Adam Pauls	Partner	\$650.00	1.0	\$650.00	1.0	\$650.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	5.0	\$2,750.00	1.0	\$550.00	3.0	\$1,650.00	1.0	\$550.00
Magoffin, Rick	Senior Consultant	\$395.00	7.0	\$2,765.00	2.0	\$790.00	3.0	\$1,185.00	2.0	\$790.00
Farrell, Samuel	Consultant	\$285.00	3.1	\$883.50	1.0	\$285.00	1.0	\$285.00	1.1	\$313.50
Creighton-Jones, Nicole	Consultant	\$285.00	1.0	\$285.00	1.0	\$285.00	-	\$0.00	-	\$0.00
Ma, Emily	Consultant	\$285.00	1.4	\$391.50	1.0	\$285.00	-	\$0.00	0.374	\$106.50
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			22.0	\$10,000.00	8.0	\$3,495.00	9.0	\$4,420.00	5.0	\$2,085.00
GST				\$1,000.00						
TOTAL (including GST)				\$11,000.00						

Tunkillia Gold Pty Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	3.5	\$2,275.00	1.0	\$650.00	2.0	\$1,300.00	0.5	\$325.00
Nikitins, Adam Pauls	Partner	\$650.00	1.0	\$650.00	1.0	\$650.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	5.0	\$2,750.00	1.0	\$550.00	3.0	\$1,650.00	1.0	\$550.00
Magoffin, Rick	Senior Consultant	\$395.00	7.0	\$2,765.00	2.0	\$790.00	3.0	\$1,185.00	2.0	\$790.00
Farrell, Samuel	Consultant	\$285.00	3.1	\$883.50	1.0	\$285.00	1.0	\$285.00	1.1	\$313.50
Creighton-Jones, Nicole	Consultant	\$285.00	1.0	\$285.00	1.0	\$285.00	-	\$0.00	-	\$0.00
Ma, Emily	Consultant	\$285.00	1.4	\$391.50	1.0	\$285.00	-	\$0.00	0.374	\$106.50
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			22.0	\$10,000.00	8.0	\$3,495.00	9.0	\$4,420.00	5.0	\$2,085.00
GST				\$1,000.00						
TOTAL (including GST)				\$11,000.00						

WPG Gawler Pty Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	3.5	\$2,275.00	1.0	\$650.00	2.0	\$1,300.00	0.5	\$325.00
Nikitins, Adam Pauls	Partner	\$650.00	1.0	\$650.00	1.0	\$650.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	5.0	\$2,750.00	1.0	\$550.00	3.0	\$1,650.00	1.0	\$550.00
Magoffin, Rick	Senior Consultant	\$395.00	7.0	\$2,765.00	2.0	\$790.00	3.0	\$1,185.00	2.0	\$790.00
Farrell, Samuel	Consultant	\$285.00	3.1	\$883.50	1.0	\$285.00	1.0	\$285.00	1.1	\$313.50
Creighton-Jones, Nicole	Consultant	\$285.00	1.0	\$285.00	1.0	\$285.00	-	\$0.00	-	\$0.00
Ma, Emily	Consultant	\$285.00	1.4	\$391.50	1.0	\$285.00	-	\$0.00	0.374	\$106.50
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			22.0	\$10,000.00	8.0	\$3,495.00	9.0	\$4,420.00	5.0	\$2,085.00
GST				\$1,000.00						
TOTAL (including GST)				\$11,000.00						

WPG Securities Pty Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord,Brett Stephen	Partner	\$650.00	1.8	\$1,171.95	1.0	\$650.00	-	\$0.00	0.8	\$521.95
Nikitins,Adam Pauls	Partner	\$650.00	0.5	\$325.00	0.5	\$325.00	-	\$0.00		\$0.00
Lawless,Michael Allan	Associate Director	\$550.00	2.5	\$1,375.00	1.0	\$550.00	0.5	\$275.00	1.0	\$550.00
Magoffin, Rick	Senior Consultant	\$395.00	3.0	\$1,185.00	1.0	\$395.00	0.5	\$197.50	1.5	\$592.50
Farrell, Samuel	Consultant	\$285.00	1.3	\$373.35	0.5	\$142.50	0.8	\$228.00	0.0	\$2.85
Creighton-Jones,Nicole	Consultant	\$285.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
Ma,Emily	Consultant	\$285.00	2.0	\$569.70	0.5	\$142.20	1.5	\$427.50	-	\$0.00
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			11.1	\$5,000.00	4.5	\$2,204.70	3.3	\$1,128.00	3.3	\$1,667.30
GST				\$500.00						
TOTAL (including GST)				\$5,500.00						

Southern Coal Holdings Pty Ltd Ltd 6 April 2019 to end of Voluntary Administration

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord,Brett Stephen	Partner	\$650.00	1.8	\$1,171.95	1.0	\$650.00	-	\$0.00	0.8	\$521.95
Nikitins,Adam Pauls	Partner	\$650.00	0.5	\$325.00	0.5	\$325.00	-	\$0.00		\$0.00
Lawless,Michael Allan	Associate Director	\$550.00	2.5	\$1,375.00	1.0	\$550.00	0.5	\$275.00	1.0	\$550.00
Magoffin, Rick	Senior Consultant	\$395.00	3.0	\$1,185.00	1.0	\$395.00	0.5	\$197.50	1.5	\$592.50
Farrell, Samuel	Consultant	\$285.00	1.3	\$373.35	0.5	\$142.50	0.8	\$228.00	0.0	\$2.85
Creighton-Jones,Nicole	Consultant	\$285.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
Ma,Emily	Consultant	\$285.00	2.0	\$569.70	0.5	\$142.20	1.5	\$427.50	-	\$0.00
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			11.1	\$5,000.00	4.5	\$2,204.70	3.3	\$1,128.00	3.3	\$1,667.30
GST				\$500.00						
TOTAL (including GST)				\$5,500.00						

Resolution Series 3 (if applicable) – Calculation of remuneration from the date of the execution of the Deed of Company Arrangement to the effectuation of the Deed of Company Arrangement.

The below table sets out the estimated time charged to each major task area by us as Deed Administrators, the Ernst and Young partners and staff members working on the deed administration from the date of the execution of the Deed of Company Arrangement to the effectuation of the Deed of Company Arrangement which is the basis of the Resolution Series 3 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule 3 of this RAR.

We note that, irrespective of whether creditors approve DOCA 1 or DOCA 2 at the upcoming meeting, we will seek approval of the amount listed in the table below for WPG Resources Limited. We note that we are not seeking remuneration approval in relation to Tunkillia Gold Pty Ltd should DOCA 1 be accepted by creditors.

WPG Resources Ltd Remuneration from date of the execution of DOCA to the effectuation of DOCA

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Assets		Creditors		Dividend	
					hrs	\$	hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	8.3	\$5,395.00	4.0	\$2,600.00	-	\$0.00	0.5	\$325.00	3.8	\$2,470.00
Nikitins, Adam Pauls	Partner	\$650.00	2.1	\$1,365.00	2.0	\$1,300.00	-	\$0.00	-	\$0.00	0.1	\$65.00
Lawless, Michael Allan	Associate Director	\$550.00	33.0	\$18,150.00	15.0	\$8,250.00	5.0	\$2,750.00	6.0	\$3,300.00	7.0	\$3,850.00
Magoffin, Rick	Senior Consultant	\$395.00	31.0	\$12,245.00	15.0	\$5,925.00	3.0	\$1,185.00	6.0	\$2,370.00	7.0	\$2,765.00
Farrell, Samuel	Consultant	\$285.00	27.0	\$7,695.00	12.0	\$3,420.00	-	\$0.00	7.0	\$1,995.00	8.0	\$2,280.00
Creighton-Jones, Nicole	Consultant	\$285.00	25.0	\$7,125.00	8.0	\$2,280.00	2.0	\$570.00	7.0	\$1,995.00	8.0	\$2,280.00
Ma, Emily	Consultant	\$285.00	28.2	\$8,025.00	7.0	\$1,995.00	2.0	\$570.00	11.0	\$3,135.00	8.2	\$2,325.00
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00	-	\$0.00
			154.6	\$60,000.00	63.0	\$25,770.00	12.0	\$5,075.00	37.5	\$13,120.00	42.1	\$16,035.00
GST				\$6,000.00								
TOTAL (including GST)				\$66,000.00								

Resolution Series 4 (if applicable) – Calculation of remuneration for the period 6 May 2019 to the completion of the liquidation.

The below tables set out the estimated time charged to each major task area by us as Liquidators, the Ernst and Young partners and staff members working on the liquidation for the period 6 May 2019 to the completion of the liquidations which are the basis of the Resolution Series 4 claims. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule 4 of this RAR.

WPG Resources Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	5.0	\$3,250.00	4.0	\$2,600.00	0.5	\$325.00	0.5	\$325.00
Nikitins, Adam Pauls	Partner	\$650.00	2.0	\$1,300.00	2.0	\$1,300.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	15.0	\$8,250.00	6.0	\$3,300.00	5.0	\$2,750.00	4.0	\$2,200.00
Magoffin, Rick	Senior Consultant	\$395.00	10.0	\$3,950.00	6.0	\$2,370.00	2.0	\$790.00	2.0	\$790.00
Farrell, Samuel	Consultant	\$285.00	6.0	\$1,710.00	4.0	\$1,140.00	1.0	\$285.00	1.0	\$285.00
Creighton-Jones, Nicole	Consultant	\$285.00	12.0	\$3,405.75	7.0	\$1,995.00	4.0	\$1,125.75	1.0	\$285.00
Ma, Emily	Consultant	\$285.00	11.0	\$3,134.25	3.0	\$855.00	4.0	\$1,140.00	4.0	\$1,139.25
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			60.9	\$25,000.00	32.0	\$13,560.00	16.5	\$6,415.75	12.5	\$5,024.25
GST				\$2,500.00						
TOTAL (including GST)				\$27,500.00						

Challenger Gold Operations Pty Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	5.0	\$3,250.00	4.0	\$2,600.00	0.5	\$325.00	0.5	\$325.00
Nikitins, Adam Pauls	Partner	\$650.00	2.0	\$1,300.00	2.0	\$1,300.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	25.0	\$13,750.00	15.0	\$8,250.00	3.0	\$1,650.00	7.0	\$3,850.00
Magoffin, Rick	Senior Consultant	\$395.00	24.0	\$9,480.00	15.0	\$5,925.00	2.0	\$790.00	7.0	\$2,765.00
Farrell, Samuel	Consultant	\$285.00	25.0	\$7,116.45	15.0	\$4,266.45	5.0	\$1,425.00	5.0	\$1,425.00
Creighton-Jones, Nicole	Consultant	\$285.00	25.0	\$7,122.15	15.0	\$4,272.15	5.0	\$1,425.00	5.0	\$1,425.00
Ma, Emily	Consultant	\$285.00	28.0	\$7,981.40	15.0	\$4,276.43	8.0	\$2,280.00	5.0	\$1,424.97
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			104.5	\$50,000.00	81.0	\$30,890.03	23.5	\$7,895.00	29.5	\$11,214.97
GST				\$5,000.00						
TOTAL (including GST)				\$55,000.00						

Tarcoola Gold Pty Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord,Brett Stephen	Partner	\$650.00	5.0	\$3,250.00	4.0	\$2,600.00	0.5	\$325.00	0.5	\$325.00
Nikitins,Adam Pauls	Partner	\$650.00	2.0	\$1,300.00	2.0	\$1,300.00	-	\$0.00	-	\$0.00
Lawless,Michael Allan	Associate Director	\$550.00	15.0	\$8,250.00	6.0	\$3,300.00	5.0	\$2,750.00	4.0	\$2,200.00
Magoffin, Rick	Senior Consultant	\$395.00	10.0	\$3,950.00	6.0	\$2,370.00	2.0	\$790.00	2.0	\$790.00
Farrell, Samuel	Consultant	\$285.00	6.0	\$1,710.00	4.0	\$1,140.00	1.0	\$285.00	1.0	\$285.00
Creighton-Jones,Nicole	Consultant	\$285.00	12.0	\$3,405.75	7.0	\$1,995.00	4.0	\$1,125.75	1.0	\$285.00
Ma,Emily	Consultant	\$285.00	11.0	\$3,134.25	3.0	\$855.00	4.0	\$1,140.00	4.0	\$1,139.25
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			60.9	\$25,000.00	32.0	\$13,560.00	16.5	\$6,415.75	12.5	\$5,024.25
GST				\$2,500.00						
TOTAL (including GST)				\$27,500.00						
Average hourly rate (excl. GST)				\$410.19		\$423.75		\$390.02		\$402.02
GST				\$41.02						
TOTAL (including GST)				\$451.21						

Tunkillia Gold Pty Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord,Brett Stephen	Partner	\$650.00	6.0	\$3,900.00	3.0	\$1,950.00	1.0	\$650.00	2.0	\$1,300.00
Nikitins,Adam Pauls	Partner	\$650.00	0.5	\$325.00	0.5	\$325.00	-	\$0.00	-	\$0.00
Lawless,Michael Allan	Associate Director	\$550.00	5.0	\$2,750.00	2.0	\$1,100.00	2.5	\$1,375.00	0.5	\$275.00
Magoffin, Rick	Senior Consultant	\$395.00	3.5	\$1,382.50	1.0	\$395.00	2.0	\$790.00	0.5	\$197.50
Farrell, Samuel	Consultant	\$285.00	2.0	\$570.00	1.0	\$285.00	-	\$0.00	1.0	\$285.00
Creighton-Jones,Nicole	Consultant	\$285.00	3.0	\$855.00	2.0	\$570.00	-	\$0.00	1.0	\$285.00
Ma,Emily	Consultant	\$285.00	0.8	\$217.50	-	\$0.00	-	\$0.00	0.8	\$217.50
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			20.8	\$10,000.00	9.5	\$4,625.00	5.5	\$2,815.00	5.8	\$2,560.00
GST				\$1,000.00						
TOTAL (including GST)				\$11,000.00						

WPG Gawler Pty Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	6.0	\$3,900.00	3.0	\$1,950.00	1.0	\$650.00	2.0	\$1,300.00
Nikitins, Adam Pauls	Partner	\$650.00	0.5	\$325.00	0.5	\$325.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	5.0	\$2,750.00	2.0	\$1,100.00	2.5	\$1,375.00	0.5	\$275.00
Magoffin, Rick	Senior Consultant	\$395.00	3.5	\$1,382.50	1.0	\$395.00	2.0	\$790.00	0.5	\$197.50
Farrell, Samuel	Consultant	\$285.00	2.0	\$570.00	1.0	\$285.00	-	\$0.00	1.0	\$285.00
Creighton-Jones, Nicole	Consultant	\$285.00	3.0	\$855.00	2.0	\$570.00	-	\$0.00	1.0	\$285.00
Ma, Emily	Consultant	\$285.00	0.8	\$217.50	-	\$0.00	-	\$0.00	0.8	\$217.50
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			20.8	\$10,000.00	9.5	\$4,625.00	5.5	\$2,815.00	5.8	\$2,560.00
GST				\$1,000.00						
TOTAL (including GST)				\$11,000.00						

WPG Securities Pty Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	1.0	\$650.00	1.0	\$650.00	-	\$0.00	-	\$0.00
Nikitins, Adam Pauls	Partner	\$650.00	0.5	\$325.00	0.5	\$325.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	3.1	\$1,705.00	1.0	\$550.00	-	\$0.00	2.1	\$1,155.00
Magoffin, Rick	Senior Consultant	\$395.00	3.1	\$1,237.54	1.0	\$395.00	-	\$0.00	2.1	\$842.54
Farrell, Samuel	Consultant	\$285.00	0.5	\$142.50	0.5	\$142.50	-	\$0.00	-	\$0.00
Creighton-Jones, Nicole	Consultant	\$285.00	2.5	\$711.97	0.5	\$142.50	-	\$0.00	2.0	\$569.47
Ma, Emily	Consultant	\$285.00	0.8	\$228.00	0.8	\$228.00	-	\$0.00	-	\$0.00
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			11.5	\$5,000.00	5.3	\$2,433.00	-	\$0.00	6.2	\$2,567.00
GST				\$500.00						
TOTAL (including GST)				\$5,500.00						

Southern Coal Holdings Pty Ltd 6 May 2019 to completion of Liquidation

Employee	Position	\$ / hour (ex GST)	Total actual hours	Total (\$)	Administration		Creditors		Investigations	
					hrs	\$	hrs	\$	hrs	\$
Lord, Brett Stephen	Partner	\$650.00	1.0	\$650.00	1.0	\$650.00	-	\$0.00	-	\$0.00
Nikitins, Adam Pauls	Partner	\$650.00	0.5	\$325.00	0.5	\$325.00	-	\$0.00	-	\$0.00
Lawless, Michael Allan	Associate Director	\$550.00	3.1	\$1,705.00	1.0	\$550.00	-	\$0.00	2.1	\$1,155.00
Magoffin, Rick	Senior Consultant	\$395.00	3.1	\$1,237.54	1.0	\$395.00	-	\$0.00	2.1	\$842.54
Farrell, Samuel	Consultant	\$285.00	0.5	\$142.50	0.5	\$142.50	-	\$0.00	-	\$0.00
Creighton-Jones, Nicole	Consultant	\$285.00	2.5	\$711.97	0.5	\$142.50	-	\$0.00	2.0	\$569.47
Ma, Emily	Consultant	\$285.00	0.8	\$228.00	0.8	\$228.00	-	\$0.00	-	\$0.00
Administration Staff	Administration / Bookkeeping Staff	\$155.00	-	\$0.00		\$0.00	-	\$0.00	-	\$0.00
			11.5	\$5,000.00	5.3	\$2,433.00	-	\$0.00	6.2	\$2,567.00
GST				\$500.00						
TOTAL (including GST)				\$5,500.00						

Part 4: Total remuneration reconciliation

The purpose of this section is to provide creditors with a reconciliation of the total amount of remuneration approved or estimated to be incurred in this matter, and to provide disclosure to creditors about how the current remuneration being sought for approval fits with our previous remuneration estimates and approvals.

At this point in time we estimate that the total remuneration for the voluntary administration will be approximately \$1.03m, which is an increase from our IRN issued on 31 July 2018 (which was \$400,000 - \$500,000). The major reason for this is the two extensions of the convening period resulting in a Voluntary Administration period approximately eight months longer than initially anticipated.

Part 5: Likely impact of remuneration on dividends to creditors

The remuneration approval being sought from creditors will have an impact on any dividend to creditors which may be paid in this external administration. The remuneration of the Administrators, Deed Administrators and Liquidators are paid in priority to ordinary unsecured creditor claims pursuant to section 556 of the Act.

Any dividend will be impacted by the realisations achieved, which at this stage are uncertain. A portion of the external administration fees incurred to date and to be incurred relate to the investigation and pursuit of claims that may result in further funds becoming available to creditors in a liquidation scenario. Notwithstanding the outcome of the second meeting of creditors, any amounts realised from this course of action will increase the dividend to creditors. In addition, the actual value of creditors' claims will have an impact on the actual dividend to creditors.

Part 6: Remuneration recoverable from external sources

We have not been indemnified in this matter, nor are there any other remuneration that is recoverable from external sources.

Part 7: Disbursements

Disbursements are divided into three types:

- ▶ Externally provided professional services - these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- ▶ Externally provided non-professional costs such as travel, accommodation and search fees - these are recovered at cost.
- ▶ Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the external administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs. The recovery of these costs must be on a reasonable commercial basis.

We have undertaken a proper assessment of disbursements claimed for the WPG Group, in accordance with the law and applicable professional standards. We are satisfied that the disbursements claimed are necessary and proper.

We have incurred the following disbursements in this matter (which have been charged at cost):

Disbursement type	Rate (excl. GST where applicable)
Externally provided professional services	
Creditors Meeting Room Hire	c. \$6,000
Insurance Costs (estimate)	c. \$2,440
Valuation Costs	N/A
Legal fees (estimate)	c. \$150,000
Total	c. \$158,440
Externally provided non-professional services	
Internal disbursements:	
Travel (other than motor vehicle)	At cost
Accommodation	At cost
Postage	At cost
Binding	\$0.03 per bind
Photocopying	\$0.06 per page
Courier	At cost
Staff per diem travel allowance	Up to \$84.50 per day
Travel (other than motor vehicle)	At cost
Total	N/A

Future disbursements provided by our firm will be charged to the administration on the following basis:

Disbursement type	Rate (excl. GST where applicable)
Externally provided professional services	At cost
Externally provided non-professional services	At cost
Internal disbursements:	
Travel (other than motor vehicle)	At cost
Accommodation	At cost
Postage	At cost
Binding	\$0.03 per bind
Photocopying	\$0.06 per page
Courier	At cost
Staff per diem travel allowance	\$84.50 per day
Staff motor vehicle use	\$0.63 per km

Rates applicable for financial year ending 2018

We are not seeking creditor approval of disbursements incurred or to be incurred as we derive no benefit from these disbursements. All disbursements are charged at cost.

Part 8: Report on Progress of the External Administration

Creditors are referred to the main body of our attached report for details concerning the conduct of the external administration to date. Creditors with any specific queries in relation to the administration are invited to contact our office at their convenience to discuss those queries.

Part 9: Summary of Receipts and Payments

A complete summary of the receipts and payments to date is included at Appendix D of this report.

Part 10: General Queries

Creditors have a right to obtain further information in relation to the conduct of the administration to date and the remuneration and disbursements set out in this RAR.

Initially, requests for further information should be directed to Rick Magoffin of this office on (02) 9248 5940 or via email at rick.magoffin@au.ey.com.

Should you remain unsatisfied, you may direct your queries or concerns to ASIC via the following contacts:

- ▶ Post: ASIC Complaints
Australian Securities and Investments Commission
GPO Box 9827
Canberra ACT 2601
- ▶ Web: <http://www.asic.gov.au>
- ▶ Phone: 1300 300 630

Further information and assistance may also be available from the Australian Restructuring Insolvency & Turnaround Association at <http://www.arita.com.au>.

Before considering the approval of our remuneration in this matter, creditors should familiarise themselves with the manner in which my remuneration and costs are incurred, and what rights creditors possess when considering the approval of remuneration for an insolvency practitioner.

Dated this 26th day of April 2019



Brett Lord
Joint and Several Administrator

Schedules of work undertaken or to be undertaken

WPG Resources Ltd A.C.N. 109 426 502
 Challenger Gold Operations Pty Ltd A.C.N. 000 715 882
 Tarcoola Gold Pty Ltd A.C.N. 137 063 140
 Tunkillia Gold Pty Ltd A.C.N. 108 925 382
 WPG Gawler Pty Ltd A.C.N. 130 640 041
 WPG Securities Pty Ltd A.C.N. 149 062 724
 Southern Coal Holdings Pty Ltd A.C.N. 142 504 827
 (All Administrators Appointed)
 Collectively ("the WPG Group")

Schedule 1 – Resolution Series 1 – Voluntary Administration retrospective remuneration

The below table provides a description of the work undertaken in each major task area for the period 1 October 2018 to 5 April 2019 for WPG Resources, Challenger and Tarcoola, and 30 July 2018 to 5 April 2019 for Tunkillia, WPG Gawler, Southern Coal Holdings, and WPG Securities.

Task Area	General Description	Includes	
Administration: WPG Resources 66.3 Hours \$28,874.50 Challenger 133.8 Hours \$53,139.00 Tarcoola 39.7 Hours \$16,106.5	Correspondence	<ul style="list-style-type: none"> ▶ Correspondence with various non- creditor third parties. ▶ Statutory correspondence with the ASIC including statutory lodgement of forms. 	
	Tunkillia 17.9 Hours \$6,226.00	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▶ Filing of documents ▶ Updating checklists ▶ Dealing with records in storage ▶ Sending job files to storage
	WPG Gawler 23.5 Hours \$9,359.00	Insurance	<ul style="list-style-type: none"> ▶ Identification of potential issues requiring attention of insurance specialists ▶ Correspondence with insurer regarding initial and ongoing insurance requirements
	WPG Securities 16.5 Hours \$6,039.500	Bank account administration	<ul style="list-style-type: none"> ▶ Preparing correspondence opening and closing accounts ▶ Requesting bank statements ▶ Bank account reconciliations ▶ Correspondence with bank regarding specific transfers
	Southern Coal 19.2 Hours \$6,596.60	ASIC Forms	<ul style="list-style-type: none"> ▶ Preparing and lodging ASIC forms including 505, etc.
		ATO and other statutory reporting	<ul style="list-style-type: none"> ▶ Notification of appointment ▶ Advertisement of appointment with ASIC Insolvency Notices
		Planning / Review	<ul style="list-style-type: none"> ▶ Discussions regarding status of administration
	Creditors: WPG Resources 67.9 Hours \$35,167.50	Tunkillia 19.7 Hours \$8,958.00	Creditor Enquiries, Requests & Directions
		Dealing with proofs of debt	<ul style="list-style-type: none"> ▶ Receipting and filing POD when not related to a dividend ▶ Corresponding with OSR and ATO regarding POD when not related to a dividend

Task Area		General Description	Includes
<p>Challenger 172.3 Hours \$77,969.00</p> <p>Tarcoola 47.7 Hours \$24,759.50</p>	<p>WPG Gawler 29.4 Hours \$13,956.00</p> <p>WPG Securities 18 Hours \$8,271.5</p> <p>Southern Coal 19 Hours \$8,662.50</p>	<p>Meeting of Creditors</p> <p>Secured Creditors</p> <p>Creditor Correspondence</p>	<ul style="list-style-type: none"> ▶ Preparation of meeting notices, proxies and advertisements ▶ Forward notice of meeting to all known creditors ▶ Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. ▶ Attend meeting of creditors and chair meeting ▶ Preparation and lodgement of minutes of meetings with ASIC ▶ Responding to stakeholder queries and questions immediately following meeting ▶ Search PPSR register ▶ Notify creditors identified from PPSR register ▶ Responding to secured creditor's queries ▶ Preparing Voluntary Administrators' Initial Circular to Creditors. ▶ Preparing Voluntary Administrators' IPR 75-225 recommendations report to creditors ▶ Preparing circular to creditors requesting submission of claims
<p>Employees:</p> <p>WPG Resources 0.8 Hours \$228.00</p> <p>Challenger 9.4 Hours \$2,679.00</p> <p>Tarcoola 1.7 Hours \$484.50</p>	<p>Tunkillia N/A</p> <p>WPG Gawler N/A</p> <p>WPG Securities 0.1 Hours \$28.50</p> <p>Southern Coal N/A</p>	<p>Employee Enquiries</p> <p>Employee Entitlements</p>	<ul style="list-style-type: none"> ▶ Receive and respond to employee enquiries ▶ Review and prepare correspondence to employees and their representatives via facsimile, email and post ▶ Documenting ▶ Calculating employee entitlements ▶ Responding to employee enquiries regarding employee entitlements ▶ Reviewing employee files and company's books and records
<p>Trade On:</p> <p>WPG Resources 9.9 Hours \$4,023.50</p> <p>Challenger 131 Hours \$56,008.50</p> <p>Tarcoola 2.4 Hours \$1,211.00</p>	<p>Tunkillia N/A</p> <p>WPG Gawler N/A</p> <p>WPG Securities 0.3 Hours \$195.00</p> <p>Southern Coal N/A</p>	<p>Trade on Management</p> <p>Budgeting and financial reporting</p>	<ul style="list-style-type: none"> ▶ Preparing and sending notification of appointment to suppliers and requesting new accounts for the Administrators ▶ Liaising with suppliers and staff regarding status of new accounts ▶ Implementing controls with respect to the purchase of stock and discussion of same with employees ▶ Liaising with management and staff regarding stock levels and required orders from suppliers ▶ Liaise with Receivers regarding ongoing trading ▶ Liaising with suppliers regarding POs signed by Vas, invoices etc. ▶ Preparing and authorising payments in accounting system and CBA online platform ▶ Preparing and updating cash flow forecast and providing updated cash flow analysis at regular intervals ▶ Internal meetings to discuss trading position
<p>Investigations:</p> <p>WPG Resources 33.1 Hours \$14,827.00</p> <p>Challenger 41.9 Hours \$18,051.50</p> <p>Tarcoola 20.7 Hours \$9,836.00</p>	<p>Tunkillia 0.7 Hours \$199.50</p> <p>WPG Gawler 10.2 Hours \$4,481.00</p> <p>WPG Securities 0.2 Hours \$57</p> <p>Southern Coal 0.5 Hours \$142.50</p>	<p>Investigations</p>	<ul style="list-style-type: none"> ▶ Conducting and summarising statutory searches ▶ Preparation of comparative financial statements ▶ Preparation of deficiency statement ▶ Review of specific transactions and liaising with directors regarding certain transactions ▶ Investigations into insolvent trading, voidable transactions and breaches of directors' duties ▶ Finalise preparations of investigation file ▶ Investigations into safe harbour defences and other matters relating to insolvent trading

Task Area		General Description	Includes
Assets:	Tunkillia 0.1 Hours \$39.50	Plant and Equipment Debtors Stock	<ul style="list-style-type: none"> ▶ Organise valuation of equipment, transition to Receivers ▶ Updated debtor listing with correspondence from remaining debtor, seek payment from debtor, direct further payment to Receiver ▶ Continue trading to realise stock on appointment ▶ Liaise with Receivers regarding sale process ▶ Request periodic updates from Receivers
WPG Resources	WPG Gawler 0.6 Hours \$273.00		
Challenger	WPG Securities 0.1 Hours \$48.5		
Tarcoola	Southern Coal 0.1 Hours \$39.50		
	Southern Coal 0.1 Hours \$48.50		
Total:	Challenger 489.4 Hours \$208,196.00 (excl. GST)		
WPG Resources	WPG Gawler 63.7 Hours \$28,069.00 (excl. GST)		
Tunkillia	Tarcoola Hours 112.5 \$52,437.00		
Southern Coal	WPG Securities Hours 35.2 \$14,640.00		

Schedules of work undertaken or to be undertaken

WPG Resources Ltd A.C.N. 109 426 502
 Challenger Gold Operations Pty Ltd A.C.N. 000 715 882
 Tarcoola Gold Pty Ltd A.C.N. 137 063 140
 Tunkillia Gold Pty Ltd A.C.N. 108 925 382
 WPG Gawler Pty Ltd A.C.N. 130 640 041
 WPG Securities Pty Ltd A.C.N. 149 062 724
 Southern Coal Holdings Pty Ltd A.C.N. 142 504 827
 (All Administrators Appointed)
 Collectively (“the WPG Group”)

Schedule 2 – Resolution Series 2 – Voluntary Administration prospective remuneration

The below table provides a description of the work to be undertaken in each major task area for the period 6 April 2019 to end of the Voluntary Administration.

Task Area	General Description	Includes
Administration: Tunkillia 8 Hours \$3,495.00 WPG Resources 28.4 Hours \$12,532.03 Challenger 8 Hours \$3,495.00 WPG Gawler 8 Hours \$3,495.00 WPG Securities 4.5 Hours \$2,204.70 Tarcoola 8 Hours \$3,495.00 Southern Coal 4.5 Hours \$2,204.70	Correspondence	<ul style="list-style-type: none"> ▶ Correspondence with various non-creditor third parties. ▶ Statutory correspondence with the ASIC including statutory lodgement of forms.
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▶ Filing of documents ▶ Updating checklists ▶ Dealing with records in storage ▶ Sending job files to storage
	Bank account administration	<ul style="list-style-type: none"> ▶ Preparing correspondence opening and closing accounts ▶ Requesting bank statements ▶ Bank account reconciliations ▶ Correspondence with bank regarding specific transfers
	ASIC and other forms	<ul style="list-style-type: none"> ▶ Preparing and lodging ASIC forms including 505, 5011, 911 etc ▶ Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▶ Notification of appointment ▶ Advertisement of appointment with ASIC insolvency notices
	Planning / Review	<ul style="list-style-type: none"> ▶ Discussions regarding status of administration
	Deed of Company Arrangement (“DOCA”)	<ul style="list-style-type: none"> ▶ Finalise terms of DOCAs
Creditors: Tunkillia 9 Hours \$4,420.00 WPG Resources 24 Hours \$10,195.00 WPG Gawler 9 Hours \$4,420.00 Challenger 9 Hours \$4,420.00 WPG Securities 3.3 Hours \$1,128.00 Tarcoola 9 Hours \$4,420.00 Southern Coal 3.3 Hours \$1,128.00	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> ▶ Receive and respond to creditor enquiries ▶ Maintaining creditor request log ▶ Considering reasonableness of creditor requests ▶ Obtaining legal advice on requests ▶ Documenting reasons for complying or not complying with requests or directions ▶ Compiling information requested by creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> ▶ Receipting and filing POD when not related to a dividend
	Meeting of creditors	<ul style="list-style-type: none"> ▶ Finalise preparation of report to creditors ▶ Post, email and lodge report with ASIC ▶ Prepare for and attend the second meeting of creditors ▶ Preparation and lodgement of minutes following meetings
	Creditor Correspondence	<ul style="list-style-type: none"> ▶ Preparing circular to creditors advising of acceptance of DOCA proposal.

Task Area	General Description	Includes
<p>Investigations: Tunkillia 5 Hours \$2,085.00</p> <p>WPG Resources 15.1 Hours \$7,272.97</p> <p>Challenger 5 Hours \$2,085.00</p> <p>Tarcoola 5 Hours \$2,085.00</p>	<p>WPG Gawler 5 Hours \$2,085.00</p> <p>WPG Securities 3.3 Hours \$1,667.30</p> <p>Southern Coal 3.3 Hours \$1,667.30</p> <p style="text-align: center;">Conducting Investigations</p>	<ul style="list-style-type: none"> ▶ Finalisation of investigations files ▶ Liaise with various creditors regarding outcome of investigations ▶ Lodge documentation with ASIC if required ▶ Liaise with directors' solicitors regarding documentation provided and position in relation to investigations
<p>Total: WPG Resources 67.5 Hours \$30,000 (excl. GST)</p> <p>Tunkillia 22 Hours \$10,000 (excl. GST)</p> <p>Southern Coal Hours 11.1 \$5,000.00</p>	<p>Challenger 22 Hours \$10,000 (excl. GST)</p> <p>WPG Gawler 22 Hours \$10,000 (excl. GST)</p> <p>Tarcoola 22 Hours \$10,000 (excl. GST)</p> <p>WPG Securities Hours 11.1 \$5,000</p>	

Schedules of work undertaken or to be undertaken

WPG Resources Ltd A.C.N. 109 426 502 (Administrators Appointed)

Schedule 3 – Resolution Series 3 – DOCA prospective remuneration

The below table provides a description of the work to be undertaken in each major task area from the date of execution of the Deed of Company Arrangement to effectuation of the Deed of Company Arrangement (in relation to WPG Resources Ltd only).

Task Area	General Description	Includes
Administration: WPG Resources 63 Hours \$25,770	Correspondence	<ul style="list-style-type: none"> ▶ Correspondence with various non- creditor third parties. ▶ Statutory correspondence with the ASIC including statutory lodgement of forms.
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▶ Filing of documents ▶ Updating checklists ▶ Dealing with records in storage ▶ Sending job files to storage
	Bank account administration	<ul style="list-style-type: none"> ▶ Preparing correspondence opening and closing accounts ▶ Requesting bank statements ▶ Bank account reconciliations ▶ Correspondence with bank regarding specific transfers
	ASIC Forms and other forms	<ul style="list-style-type: none"> ▶ Preparing and lodging ASIC forms including 505, 5603 etc ▶ Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▶ Notification of appointment ▶ Advertisement of appointment with ASIC insolvency notices
	Planning / Review	<ul style="list-style-type: none"> ▶ Discussions regarding status of administration
	Finalisation	<ul style="list-style-type: none"> ▶ Lodge required forms with ASIC and ATO to finalise appointment ▶ Completion of internal checklists
Assets: WPG Resources 12 Hours \$5,075	DOCA realisations	<ul style="list-style-type: none"> ▶ Liaise with DOCA proponent regarding execution of the DOCA ▶ Monitor terms of the DOCA including receipt of Deed Funds ▶ Receipt DOCA contributions and monitor compliance with DOCA terms
Creditors WPG Resources 37.5 Hours \$13,120	Creditor Enquiries, Requests & Directions	<ul style="list-style-type: none"> ▶ Receive and respond to creditor enquiries ▶ Maintaining creditor request log ▶ Considering reasonableness of creditor requests ▶ Obtaining legal advice on requests ▶ Documenting reasons for complying or not complying with requests or directions ▶ Compiling information requested by creditors
	Dealing with proofs of debt	<ul style="list-style-type: none"> ▶ Receipting and filing POD when not related to a dividend
	Secured Creditors	<ul style="list-style-type: none"> ▶ Responding to secured creditor's queries, ensuring discharge from the PPSR
	Creditor Correspondence	<ul style="list-style-type: none"> ▶ Preparing circular to creditors advising of acceptance of DOCA proposal.
Dividends: 42.1 Hours \$16,035.00	Dividend procedures	<ul style="list-style-type: none"> ▶ Preparation of correspondence to creditors advising of intention to declare dividend ▶ Advertisement of intention to declare dividend ▶ Obtain clearance from ATO to allow distribution of company's assets ▶ Preparation of dividend calculation ▶ Preparation of correspondence to creditors announcing declaration of dividend ▶ Advertise announcement of dividend

		<ul style="list-style-type: none">▶ Preparation of distribution▶ Preparation of dividend file▶ Preparation of payment vouchers to pay dividend▶ Preparation of correspondence to creditors enclosing payment of dividend
Total:		
WPG Resources Ltd 154.4 Hours \$60,000		

Schedules of work undertaken or to be undertaken

WPG Resources Ltd A.C.N. 109 426 502
 Challenger Gold Operations Pty Ltd A.C.N. 000 715 882
 Tarcoola Gold Pty Ltd A.C.N. 137 063 140
 Tunkillia Gold Pty Ltd A.C.N. 108 925 382
 WPG Gawler Pty Ltd A.C.N. 130 640 041
 WPG Securities Pty Ltd A.C.N. 149 062 724
 Southern Coal Holdings Pty Ltd A.C.N. 142 504 827
 (All Administrators Appointed)
 Collectively ("the WPG Group")

Schedule 4 – Resolution Series 4 – Liquidation prospective remuneration

The below table provides a description of the work to be undertaken in each major task area for the period 6 May 2019 to completion of the liquidation.

Task Area	General Description	Includes
Administration: Tunkillia 9.5 Hours \$4,625.00 WPG Resources 32 Hours \$13,560.00 Challenger 81 Hours \$30,890.03 Tarcoola 32 Hours \$13,560.00 WPG Gawler 9.5 Hours \$4,625.00 WPG Securities 5.3 Hours \$2,433.00 Southern Coal 5.3 Hours \$2,433.00	Correspondence	<ul style="list-style-type: none"> ▶ Correspondence with various non-creditor third parties. ▶ Statutory correspondence with the ASIC including statutory lodgement of forms.
	Document maintenance/file review/checklist	<ul style="list-style-type: none"> ▶ Filing of documents ▶ Updating checklists ▶ Dealing with records in storage ▶ Sending job files to storage
	Bank account administration	<ul style="list-style-type: none"> ▶ Preparing correspondence opening and closing accounts ▶ Requesting bank statements ▶ Bank account reconciliations ▶ Correspondence with bank regarding specific transfers
	ASIC Form 524 and other forms	<ul style="list-style-type: none"> ▶ Preparing and lodging ASIC forms including 505, 524, 911 etc ▶ Correspondence with ASIC regarding statutory forms
	ATO and other statutory reporting	<ul style="list-style-type: none"> ▶ Notification of appointment ▶ Advertisement of appointment with ASIC insolvency notices
	Planning / Review	<ul style="list-style-type: none"> ▶ Discussions regarding status of administration
	Finalisation	<ul style="list-style-type: none"> ▶ Lodge required forms with ASIC and ATO to finalise appointment ▶ Completion of internal checklists
	Creditors: WPG Resources 16.5 Hours \$6,415.75 Challenger 23.5 Hours \$7,895.00 Tarcoola 16.5 Hours \$6,415.75 Tunkillia 5.5 Hours \$2,815.00 WPG Gawler 5.5 Hours \$2,815.00 WPG Securities N/A Southern Coal N/A	Creditor Enquiries, Requests & Directions
Dealing with proofs of debt		<ul style="list-style-type: none"> ▶ Receipting and filing POD when not related to a dividend
Secured Creditors		<ul style="list-style-type: none"> ▶ Responding to secured creditor's queries
Creditor Correspondence		<ul style="list-style-type: none"> ▶ Preparing circular to creditors advising of acceptance of outcome of 439A second meeting of creditors. ▶ Further reports to creditors and preparations of annexures (if required).
Voidable Transactions		<ul style="list-style-type: none"> ▶ Conduct further investigations into possible voidable transactions. ▶ Prepare and issue demands to directors, former directors and third parties in respect to voidable transactions (as required). ▶ Liaise with parties regarding voidable transaction claims.
Investigations: WPG Resources 12.5 Hours \$5,025.00 Tunkillia 5.8 Hours \$2,560.00 WPG Gawler	Voidable Transactions	<ul style="list-style-type: none"> ▶ Conduct further investigations into possible voidable transactions. ▶ Prepare and issue demands to directors, former directors and third parties in respect to voidable transactions (as required). ▶ Liaise with parties regarding voidable transaction claims.

Task Area	General Description	Includes
Challenger 29.5 Hours \$11,214.97	5.8 Hours \$2,560.00	<ul style="list-style-type: none"> ▶ Instruct solicitor to commence proceedings against parties (as required). ▶ Assist solicitor with preparation of claim against parties. ▶ Conduct further investigations into possible insolvent trading claim against directors. ▶ Prepare and issue demands to directors in respect to insolvent trading (if breaches identified). ▶ Liaise with directors regarding insolvent trading claim. ▶ Finalise investigations into Company's affairs. ▶ Prepare and lodge report with ASIC pursuant to section 533 of the Act.
Tarcoola 12.5 Hours \$5,024.25	WPG Securities 6.2 Hours \$2,567.00	
	Southern Coal 6.2 Hours \$2,567.00	
Section 533 Report to ASIC		
Total: Tarcoola 60.9 Hours \$25,000 WPG Resources 60.9 Hours \$25,000 Challenger 134 Hours \$50,000 Tunkillia 20.8 Hours \$10,000		
WPG Gawler 20.8 Hours \$10,000 WPG Securities 11.5 Hours \$5,000 Southern Coal 11.5 Hours \$5,000		

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