

Our Ref: Perth 473063.0001/015/LT

5 December 2019

**GERALDTON INVESTMENTS PTY LTD ACN 130 640 603 (ADMINISTRATORS APPOINTED)
("THE COMPANY")**

CIRCULAR TO CREDITORS

I refer to the appointment of Daniel Hillston Woodhouse and I, Ian Charles Francis as Joint and Several Administrators of the Company on 8 November 2019.

SECOND MEETING OF CREDITORS

The Administrators are required under the law to convene a second meeting of creditors, at which creditors will vote on the future of the Company.

I advise that the second meeting of creditors of the Company will be held on **Friday, 13 December 2019** at **11:00am (AWST)** at FTI Consulting's office located at Level 47, St Georges Terrace, PERTH WA 6000. Creditors documents must be submitted to FTI Consulting by no later than **4:00pm (AWST)** on **Thursday, 12 December 2019**.

Please find enclosed the following documents:

1. Administrators' Report pursuant to Section 75-225 of the *Insolvency Practice Rules (Corporations) 2016*;
2. Administrators' Remuneration Report;
3. Notice of Second Meeting of Creditors;
4. Appointment of Proxy Form; and
5. Formal Proof of Debt or Claim Form.

Should you have any queries in relation to the second meeting of creditors, the enclosed documents or the voluntary administration generally, please contact Lo Taderera on (08) 9321 8533 or by email at lo.taderera@fticonsulting.com.



Ian Francis
Joint and Several Administrator

**Geraldton Investments Pty Ltd ACN 130 640 603
(Administrators Appointed) ATFT Geraldton Investments Trust
("the Company")**

Report to Creditors – Section 75-225 of the Insolvency Practice Rules (Corporations) 2016



5 December 2019

About This Report: A Guide for Creditors

Voluntary administrators:

Ian Francis
Daniel Woodhouse

Contact for general queries about this report:

Name: Jacquie Sinclair
Grade: Senior Director
Phone: +61 8 9321 8533
E-mail: jacquie.sinclair@fticonsulting.com

Name: Lo Taderera
Grade: Associate
Phone: +61 8 9321 8533
E-mail: lo.taderera@fticonsulting.com

FTI Consulting (Australia) Pty Limited
ABN 49 160 397 811

Level 47, Central Park
152-158 St Georges Terrace
Perth WA 6000

www.fticonsulting.com

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Purpose of this Report

- The Administrators are required to prepare this report under the Act. We are required to provide creditors with information about the Company's business, property, affairs and financial circumstances.
- This report and its attachments contain details about the second meeting of creditors to be held on **Friday, 13 December 2019 at 11:00 am (AWST)** at the offices of FTI Consulting's office, Level 47, 152-158 St Georges Terrace in Perth. It also sets out our recommendation about the future of the Company and what we considered to be in the creditors' best interests. At the meeting, Creditors are required to decide whether the:
 - Company should execute a DOCA; or
 - Administration of the Company should end; or
 - Company should be wound up.
- Alternatively, creditors can vote to adjourn the meeting for up to 45 business days to allow more time to make their decision.

Information Included

- This report contains the information we are required by law to include, plus other information considered materially relevant to creditors to enable them to make an informed decision about the Companies' future.
- The *Table of Contents* on the following page lists the sections of this report. A glossary and certain other information, including details about our claim for remuneration, is included in appendices.

Key Messages and Recommendations

- Pages 4 to 7 summarises the items considered to be the most important for creditors, and includes our recommendation to creditors.

Details and Forms for the Forthcoming Creditors' Meeting

- All details, forms and instructions relating to the meeting have been included with the covering letter and other documents attached to this report.

Questions and Help

- Please contact us if you are unsure about any of the matters raised in this report and the impact that any decision about the Company's future may have on you.



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1. Key Messages and Recommendation

- Set out below is a summary of the key messages and recommendations that are detailed in this report. Please read this summary in conjunction of the remainder of the report including the terms of reference contained in **Appendix 1** and any other attachments.

Key areas	Commentary	Analysis
Background	<p>The Company in its capacity as Trustee of the Geraldton Investments Trust is the registered owner of the below property over which nab holds a first ranking security interest:</p> <ul style="list-style-type: none"> - Lot 153 (222-228 Lester Ave, Geraldton): Vol 2794 Fol 472; - Lot 152 (15 Fitzgerald St, Geraldton): Vol 2794 Fol 471; - Lot 151 (181 – 195 Marine Tce, Geraldton): Vol 2794 Fol 470; and - Lot 150 (205 Marine Tce, Geraldton):Vol 2794 Fol 469. 	Section 2
Explanations for the Company’s difficulties	<p>The Secured Property is located in the regional town of Geraldton in Western Australia approximately 400km north of Perth. The Company’s failure can be attributed to the collapse of the regional property market in Western Australia.</p>	Section 2
Administrators’ actions and strategy	<p>To date, the Administrators have:</p> <ul style="list-style-type: none"> • obtained information regarding the Secured Property from the Company; • taken control of the Secured Property including, but not limited to obtaining insurance, engaging AJG to conduct a safety review, and writing to tenants to secure rental monies. • sought quotes from valuers to conduct a valuation of the Secured Property; • sought marketing submissions from appropriately qualified selling agents; • held the First Meeting of Creditors on Tuesday, 19 November 2019. <p>Going forward, I will be engaging a selling agent to market and sell the Secured Property.</p>	Section 3
Historical Financials	<p>The Company’s books and records disclose that monies received from renting the Secured Property has been insufficient to meet interest and holding costs. Investors have historically provided funding to cover same.</p>	Section 4
Estimated date of insolvency	<p>Our preliminary view is that the Company became insolvent just prior to the appointment of Administrators when funding from its investors was exhausted and its banking facilities with nab had expired. There was no further debt incurred following same and the Company was placed into administration.</p>	Section 5

1. Key Messages and Recommendation

Key areas	Commentary	Analysis
Voidable transactions and offences	Based on our investigations to date, we do not consider there are any voidable transactions that would likely result in property being recovered for the benefit of creditors.	Section 5
Offences by directors	Based on our investigations to date, it does not appear that offences have been committed by the directors.	Section 5
Liability for insolvent trading	Based on the estimated date of insolvency there is unlikely to be a claim for insolvent trading.	Section 5
Proposal for a deed of company arrangement	No proposal for a deed of company arrangement has been received	Section 5
Estimated outcome for creditors	<p>The estimates shown are based on the information presently available, our view of the Company's estimated realisable value of assets and estimated claims of creditors:</p> <p style="text-align: center;"><u>Liquidation</u></p> <ul style="list-style-type: none"> ■ Secured creditors Commercially sensitive ■ Priority employee claims Nil cents in the dollar ■ Unsecured creditors Nil cents in the dollar <p>The key factor impacting the return to the secured creditor is the realisation of the Secured Property. It is unlikely that a dividend will be paid to unsecured creditors of the Company.</p> <p>At this stage, we have not commenced a marketing campaign for the Secured Property. Given same, the estimated realisable value of assets is commercially sensitive. However, based on our investigations to date, it appears that there will be a shortfall to nab. We will provide creditors with an accounting of the sale proceeds at a later stage.</p>	Section 6

1. Key Messages and Recommendation

Key areas	Commentary	Analysis
Timing of payments to creditors	<p>The indicative (estimated) timing of dividends are set out below for each class of creditor under a liquidation scenario:</p> <p style="text-align: center;"><u>Liquidation</u></p> <ul style="list-style-type: none"> ■ Secured creditors 7 months ■ Priority employee claims N/a ■ Unsecured creditors N/a 	Section 6
Remuneration	<p>Under s 449E of the Act, the remuneration of the Administrators (and either the Deed Administrators or Liquidators, if appointed) can be fixed at the second meeting of creditors. Details of our proposed remuneration and resolutions are included in our Remuneration Approval Report.</p>	Section 7 Appendix 6

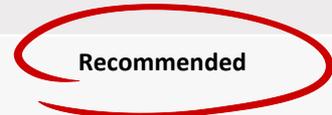
1. Key Messages and Recommendation

Our recommendation to creditors

In our opinion it is in the creditors' interests that the Company be wound up and a liquidator appointed.

Details about the estimated return to creditors and other information about what creditors can decide at the meeting are provided at sections 6 and 8 of this report.

Options available to creditors	Option 1: Execute a DOCA	Option 2: Administration end	Option 3: Liquidation
Description	<ul style="list-style-type: none"> Whether it would be in the creditors' interests for the Company to execute a DOCA 	<ul style="list-style-type: none"> Whether it would be in the creditors' interests for the administration to end 	<ul style="list-style-type: none"> Whether it would be in the creditors' interests for the Company to be wound up
Key factors to consider	<ul style="list-style-type: none"> As no DOCA has been proposed, creditors cannot resolve to accept a DOCA at this time 	<ul style="list-style-type: none"> The Company is insolvent with no cash to pay all due debts and no confirmed prospects of obtaining external funding 	<ul style="list-style-type: none"> We have not been provided with a proposal for a DOCA for consideration and it is not appropriate that the administration ends as the Company is insolvent
Our opinion	<ul style="list-style-type: none"> Not in the creditors' interests that the Company execute a DOCA 	<ul style="list-style-type: none"> Not in the creditors' interests that the administration should end 	<ul style="list-style-type: none"> Is in the creditors' interests that the Company be wound up
Recommended option	Not recommended	Not recommended	Recommended
Potential to adjourn the meeting to a future date	<ul style="list-style-type: none"> Creditors may wish to adjourn the second meeting for up to 45 business days. It is matter for creditors to decide if they wish to adjourn the meeting 		



2. Background Information

2.1 Appointment of Administrators

- On 8 November 2019, Daniel Hillston Woodhouse and Ian Charles Francis were appointed joint and several Administrators of the Company in accordance with a resolution passed at a meeting of the Company's director pursuant to section 436A of the Act.
- In a voluntary administration, the Administrators take control of a company and its affairs, superseding the powers of the directors and officers to make decisions and perform management functions.
- We also have a duty to investigate the Company's business, property, affairs and financial circumstances.

2.2 Administrator's Prior Involvement and Independence

- In accordance with s 436DA of the Act, we provided a DIRRI with our first communication to creditors. This DIRRI included the circumstances that led to our appointment as Administrators.
- The DIRRI was provided with our first circular to creditors and referred to at the first creditors' meeting.
- We provide an updated DIRRI at **Appendix 5** which outlines our agreement with nab in relation to payment of our fees.

2.3 Outcome of the First Meeting of Creditors

- The first meeting of creditors was held on Tuesday, 19 November 2019 to consider the formation of a committee of creditors and whether or not to appoint different persons to be the Administrators of the Company.
- No committee was formed and there were no nominations to replace us as Administrators.

2.4 Second Meeting of Creditors

- We attach notice of the second meeting of creditors, which will be held on **Friday, 13 December 2019** at the offices of FTI Consulting, Level 47, Central Park, 152-158 St Georges Terrace in Perth at 11:00 am WST.

- Teleconference facilities are available for the meeting. Please contact Loice Taderera, if you want to attend the meeting by telephone.

2.5 Company Information and Historical Performance

- **Appendix 2** includes the following information about the Company
 - Names of directors and officers.
 - Details of shareholders.
 - Our comments about the existence and form of financial statements prepared by the Company.
 - A summary of the historical financial performance of the Company along with a preliminary analysis and comment.

2.6 History of the Company and Events Leading to Our Appointment

- We have been advised that:
 - A number of individual properties located in the Geraldton CBD were acquired by the Company in and around 2008;
 - These were to be amalgamated into 4 super lots, and development approvals sought to redevelop the sites;
 - The development approvals were achieved and super lots produced, which would allow significant commercial redevelopment;
 - This redevelopment strategy arose in the context of the then mining boom and the prospect that the Oakajee Port, just north of Geraldton, would be developed and bring significant activity to the City;
 - With the mining boom materially subsiding and the Oakajee Port project not yet proceeding, any redevelopment became unviable;
 - The underlying property values had subsequently fallen significantly with the company being placed on a care and maintenance footing; and
 - The supporting shareholders in the Company have now chosen to withdraw their support and as such, the Company was placed into Administration.



2. Background Information

2.7 Directors' Explanation for the Company's Difficulties

- The Director has indicated to us that the current circumstances faced by the Company are a result of the collapse in the value of the regional property market in Western Australia.
- From our investigations to date, we concur with the Director's explanation.

2.8 Opinion About Books and Records

- Section 286(1) of the Act requires a company to keep written financial records that correctly record and explain its transactions and financial position and performance, and would enable true and fair financial statements to be prepared and audited.
- In considering compliance with this section, since our appointment we have:
 - reviewed various financial reports to help us understand the Company's asset and liability positions.
 - reviewed various correspondence files and documents relevant to the Company's financial position and performance of the Company.
 - undertaken investigations and reviews incorporating financial records and data.
 - discussed with the Company's finance function, processes and record keeping practices with its directors and management.
- In our view, as at the date of our appointment the financial records of the Company appear to have been maintained in accordance with s286 of the Act.
- For the purposes of this report, I have relied upon the Company's books.

This section is intentionally been left blank

2.9 Outstanding Winding Up Applications

- Based on searches performed at the time of our appointment, no winding up applications appear to have been lodged with a Court against the Company.



3. Administrators' Strategy

3.1 Summary of Actions and Strategy

- Since our appointment we have taken control of the Secured Property and reviewed the available options for the Company.
- Our key strategies and actions have involved:
 - Meeting with the Director to understand the Company's affairs and to obtain the Company's books and records. I understand that, at this stage, the Company's assets only comprise of the Secured Property.
 - On Friday, 15 November 2019 Greg Tomlin of our office inspected the Secured Property. His inspection identified that there were a number of buildings that were derelict and some that were tenanted.
 - We have written to the tenants and requested that all rental monies are to be paid to the Administrators. To date, we have received approximately \$10k in rent which will be used to fund the costs of the administration.
 - Held discussions with nab in relation to the Secured Property.
 - We engaged AJ Gallagher's workplace risk team to conduct an inspection and safety review of the Secured Property. We are currently awaiting their report.
 - We have engaged a valuer to conduct a valuation of the Secured Property.
 - We have requested marketing submissions from appropriately qualified selling agents and anticipate receiving those marketing submissions by Friday, 6 December 2019. Given the upcoming Christmas break, it is likely that the marketing campaign for the Secured Property will commence in late January / early February 2020.

3.2 Other Actions Taken to Date

- Since our appointment we have also:
 - Notified all creditors and applicable statutory and Government bodies of our appointment.
 - Placed insurance cover over the Company's assets.
 - Reviewed the available books and records and other information concerning the Company in order to identify whether there are any voidable transactions or other circumstances where money or property may be recoverable for the benefit of creditors. The findings of our investigations are outlined in **Section 5**.
 - Further details of specific tasks undertaken are included in our Remuneration Approval Report at **Appendix 6**.

4. Company's Financial Position

4.1 Report On Company Activities and Property Part A by the Directors

- Immediately after appointment, we requested that the Director provide a statement about the Company's business, property, affairs and financial circumstances in the form of a ROCAP Part A (Form 507) (**ROCAP Part A**). We received a ROCAP Part A completed by the Director on 15 November 2019.
- A summary of the ROCAP Part A information is shown below and our comments provided opposite.

Table 1: Summary of ROCAP Part A

	Notes	Book Value \$m
Assets subject to specific security interests	1	6.4
Less amounts owing to nab	2	(4.0)
Net assets subject to specific security interests (before costs)		2.4
Priority creditors		0.0
Unsecured Creditors	3	(3.6)
Total Claims		(3.6)
Surplus / (Deficiency) (before costs)		(1.2)

4.2 Our Comments on the ROCAP Part A

■ Note 1 – Assets subject to specific charges

- The Company's books and records disclose a book value for the Secured Property of \$6.4m as at 30 June 2019. Going forward, the Administrators will engage a valuer to undertake a valuation of the Secured Property. As the marketing campaign has not been commenced, the value of the Secured Property will not be disclosed at this stage.
- However, given the state of the property market in Geraldton, it is likely that there will be a shortfall to nab.

■ Note 2 – Amounts owed to nab

- The Company holds a business market loan with nab of \$4m. The facility has expired.

■ Note 3 – Unsecured creditors

- The Company's books and records disclose unsecured creditors as set as follows:

Table 2: Unsecured Creditors

Description	Amount \$m
Current Liabilities	0.02
Other Non Current Liabilities	0.56
Unit Holder Loans	2.99
Total Unsecured Creditors	3.57

- I have received proof of debts totalling approximately \$1.2m to date.

5. Investigations, Offences and Voidable Transactions

5.1 Duty to Investigate

- The law requires us to investigate and specify whether there appear to be 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.
- We have sought to ascertain whether the Company was insolvent at any particular point in time prior to our appointment as Administrators, in order to determine a point in time from which these provisions may apply.

5.2 Relevance of Insolvency and Liquidation

- The ability to challenge voidable transactions and recover money/property for creditors is contingent on two elements:
 - The Company being placed into liquidation, and
 - A liquidator being able to establish that the Company was insolvent at the time it entered into any particular transaction, or that the Company became insolvent as a consequence of that transaction.

5.3 Work Performed

- We have made enquiries into the financial affairs of the Company. In this section, we set out our preliminary views and findings about:
 - Offences that may have been committed.
 - The solvency position of the Company.
 - Existence of voidable transactions – including unfair preferences/loans, uncommercial transactions, arrangements to avoid employee entitlements, and unreasonable director related transactions.
 - Charges that may be voidable.
 - Whether there is the prospect of a claim for insolvent trading.
- Please note the investigations we have undertaken are only indicative of the actions that may be possible in the event of liquidation.

5.4 Date of Insolvency

- In **Appendix 3** we have included some general comments and information about recoveries via voidable transactions, insolvent trading and common factors that indicate insolvency.
- The summary of our findings and views on the Company's solvency position are on the following pages.

5.5 Creditors' Information Sheet and Other Explanations

- Provided at **Appendix 4** is an information sheet to assist creditors in understanding potential offences under the Act, recoverable transactions; and insolvent trading.
- Creditors should read this information in conjunction with our comments in this section of the report.

5.6 Relevance of Liquidation Versus DOCA

- Voidable transactions and other actions that a liquidator can make are not available if the Company executes a DOCA.
- As a result, creditors have to assess the advantages to them of a DOCA (and any benefits that may be available to them in this scenario), compared to the likely return in a liquidation (and any recoveries that may be available where a liquidator is appointed).
- To help creditors, where a DOCA is proposed, the estimated return to creditors section of this report will include a comparison between liquidation and any DOCA, highlighting the differences in estimated recoveries and outcomes. There may also be timing differences and these too are discussed as applicable.
- No DOCA has been proposed.



5. Investigations, Offences and Voidable Transactions

5.7 Estimated Date of Insolvency

- Although the Company didn't generate sufficient income according to its books and records to meet interest and holding costs, investors have historically provided funding to cover same. Our preliminary view is that the Company became insolvent just prior to the appointment of Administrators when funding from its investors was exhausted and the Company's banking facility with nab had expired.
- There was no further debt incurred and the Company was placed into administration.

5.8 Preliminary View on Liability for Insolvent Trading

- Based on our estimated date of insolvency, there is unlikely to be a claim for insolvent trading.
- If the Company was wound up and a liquidator appointed, further work would be performed on the solvency position of the Company to determine whether there is a benefit to creditors in pursuing the directors for insolvent trading.
- Creditors should refer to **Appendix 3 and 4** for additional information on insolvency and pursuing insolvent trading claims generally.

This section has intentionally been left blank

5. Investigations, Offences and Voidable Transactions

5.9 Voidable Transactions

- We set out below our preliminary findings in relation to potential recoveries from voidable transactions in a liquidation scenario including our view on the likelihood of there being substantiated and supportable claims. Where applicable, we have included our estimate of possible recoveries along with any other pertinent information.
- For general information explaining these matters, including a list of applicable offences, please refer to **Appendix 3**.

Area	Our view	Comments
Unfair preferences	No claims	<ul style="list-style-type: none"> ■ We have reviewed the payments made by the Company during the period leading up to appointment, taking into account the potential date of insolvency of the Company. ■ Based on our investigations to date, we do not consider there are any preferential payments that would likely result in property being recovered for the benefit of creditors.
Uncommercial transactions	No claims	<ul style="list-style-type: none"> ■ We are not aware of any potential uncommercial transactions that would likely result in property being recovered for the benefit of creditors.
Unfair loans	No claims	<ul style="list-style-type: none"> ■ We are not aware of any potential unfair loans that would likely result in property being recovered for the benefit of creditors.
Unreasonable payments to directors	No claims	<ul style="list-style-type: none"> ■ Our investigations to date have not found any evidence of unreasonable payments to directors.
Related entity benefit	No claims	<ul style="list-style-type: none"> ■ Our investigations to date have not revealed any transactions with related entities that would likely result in property being recovered for the benefit of creditors.
Arrangements to avoid employee entitlements	No claims	<ul style="list-style-type: none"> ■ Our investigations to date have not revealed the existence of any such arrangements.
Voidable charges	No claims	<ul style="list-style-type: none"> ■ Our investigations have not revealed any charges or registered security interests that would be void against a liquidator.
Offences by directors	No claims	<ul style="list-style-type: none"> ■ Based on our investigations to date, it does not appear that offences have been committed by the directors.

6. Estimated Return to Creditors

6.1 Estimated Return to Creditors

- From our investigations to date:
 - it is likely that there will be a shortfall to nab following the sale of the Secured Property; and
 - accordingly, there will be no return to unsecured creditors.

6.2 Administrators Receipts and Payments

- Please find the Administrators' receipts and payments for the period 8 November 2019 to 30 November 2019.

Description	Amount \$
Receipts	
Rental Income	10,076.23
Total Receipts	10,076.23
Payments	0.00
Cash held by Administrators	10,076.23

- The rental income will be used to fund the costs of the administration.

6.3 Estimated Timing of Payments to Creditors

- An indicative range of the estimated timing of dividends under each option (and to each class of creditor) is set out below:
 - Secured creditors 7 months
 - Employee priority creditors Not applicable
 - Ordinary unsecured creditors Not applicable

7. Administrators' Remuneration

7.1 Administrators' Remuneration

- The Administrators' first circular to creditors indicated their intention to claim remuneration on a time basis. The hourly rates for this matter are at a discount from our firm's standard rates.
- The Administrators' have incurred fees in the amount of \$31,544.00 (exc GST and disbursements) for the period 8 November 2019 to 30 November 2019.
- Pursuant to Section 449E of the Act, the Administrators' remuneration can be fixed at the Second Meeting of Creditors.
- The Administrators will only draw remuneration based on actual time incurred and, as such, if a lower amount is incurred compared to that approved, then the Administrators will only draw the lower amount.

7.2 Total Remuneration

- **Appendix 6** provides the Administrators' Remuneration Report seeking approval from the Creditors of the Company for the periods as detailed in the following table.
- Future fees are dependent on the sale of the Secured Property.
- Nab have approved my proposed fees of \$135k (plus GST and disbursements) to June 2020 which are comprised of:
 - \$115k (plus GST and disbursements) to secure and realise the Secured Property; and
 - \$20k (plus GST and disbursements) to undertake statutory work.
- My fees are on the assumption that:
 - The total selling period of the Secured Property is eight months;
 - There are no significant impediments that arise during my appointment that delay marketing and the settlement of the Secured Property for an extended period of time.

- The abovementioned fees plus any disbursements (subject to nab approval) will be met from rental income received and to the extent that these are not met, from realisation proceeds of the Secured Property.

Table 4: Total Remuneration

Period	Amount (\$) excluding GST and Disbursements
Administrators	
8 November 2019 to 30 November 2019 – actual	31,544.00
1 December 2019 to the conclusion of the Voluntary Administration – estimate	20,000.00
Liquidator (if Appointed)	
13 December 2019 to 30 June 2020	85,000.00

8. Opinion and Recommendation to Creditors

8.1 What Creditors Can Decide at the Meeting

- At the second meeting of creditors, creditors are required to decide whether:
 - The Company should execute a DOCA
 - The administration of the Company should end, or
 - The Company should be wound up.
- In accordance with the requirements of Section 75-225 of the *Insolvency Practice Rules (Corporations) 2016*, the Administrators must provide an opinion on each of the above options, and whether the option is in the creditors' interests.

8.2 Administrators' Opinions on the Options Available to Creditors

1. Execution of a Deed of Company Arrangement

- As no DOCA has been proposed, creditors cannot resolve to accept a DOCA at this time. Therefore, ***we do not consider it would be in the creditors' interests for the Company to execute a DOCA.***

2. The Administration Comes to an End

- If the creditors vote for this alternative, control of the Company would revert to the directors following the forthcoming meeting of creditors.
- The Company is insolvent with no cash to pay the Company's debts and no confirmed prospects of obtaining external funding. Therefore ***we do not consider that it would be in the creditors' interests for the administration to end.***

3. The Company is Wound Up

- Absent the other options being viable alternatives, ***we consider that it would be in the creditors' interests for the Company to be wound up.*** The Company is insolvent. We have not been provided with a proposal for a DOCA for consideration and it is not appropriate that the administration ends for the reasons noted above.

8.3 Administrators' opinion on voidable transactions

- It is the opinion of the Administrators that there do not appear to be transactions that may be voidable transactions as defined in Section 75-225 of the *Insolvency Practice Rules (Corporations) 2016*

Dated this 5th day of December 2019



Ian Francis
Joint and Several Administrator

Appendix 1 – Glossary and Terms of Reference

Glossary and Terms of Reference

Item	Definition
Act	Corporations Act 2001 (Cth)
ASIC	Australian Securities and Investments Commission
ATO	Australian Taxation Office (incorporating the Deputy Commissioner of Taxation, as applicable)
Company	Geraldton Investments Pty Ltd ATFT Geraldton Investments Trust
Director	Andrew Fatin
DIRRI	Declaration of independence, relevant relationships and indemnities
DOCA	Deed of Company Arrangement
EBIT / EBITDA	Earnings before interest and tax / Earnings before interest, tax, depreciation and amortisation
ERV	Estimated realisable value
FY17, FY18, FY19	Financial years ended/ending 30 June 2017, 30 June 2018 and 30 June 2019
GST	Goods and Services Tax, as applicable in Australia
nab	National Australia Bank Ltd
NPAT	Net profit after tax
PPSR	Personal Property Securities Register
ROCAP	Report On Company Activities and Property

Item	Definition
Secured Property	The property subject to nab's first ranking security interest being: Lot 153 (222-228 Lester Ave, Geraldton): Vol 2794 Fol 472; Lot 152 (15 Fitzgerald St, Geraldton): Vol 2794 Fol 471; Lot 151 (181 – 195 Marine Tce, Geraldton): Vol 2794 Fol 470; and Lot 150 (205 Marine Tce, Geraldton):Vol 2794 Fol 469.
YTD	Year to date

Terms of Reference

- This report has been prepared for the creditors of Company to assist them in evaluating their position as creditors and in deciding on the Company's future. None of the Administrators, FTI Consulting and its staff shall assume any responsibility to any third party to which this report is disclosed or otherwise made available.
- This report is based on information obtained from the Company's records, the Director of the Company and from our own enquiries. While we have no reason to doubt the veracity of information contained in this report, unless otherwise stated we have proceeded on the basis that the information provided and representations made to us are materially accurate, complete and reliable. We have not carried out anything in the nature of an audit, review or compilation.
- This report may contain prospective financial information, including estimated outcomes for creditors, and other forward looking information. As events and circumstances frequently do not occur as expected, there may be material differences between estimated and actual results. We take no responsibility for the achievement of any projected outcomes or events.
- We reserve the right to alter any conclusions reached on the basis of any changed or additional information which may become available to us between the date of this report and the forthcoming meeting of creditors.
- Creditors should seek their own advice if they are unsure how any matter in this report affects them.

Appendix 2 – Company Information

Statutory Information

Incorporation

- The Company was incorporated on 15 April 2008.

Registered Office and Principal Place of Business

- The registered office of the Company is located at C/- Crownline Pty Limited, Level 14, 225 St Georges Tce, PERTH WA.
- The principal place of business of the Company is located at Level 14, 225 St Georges Tce, PERTH WA.

Directors and Officers

- The Directors and officers of the Company are set out as follows:

Name	Position	Appointment Date	Cease Date
Andrew James Fatin	Director / Company Secretary	30 October 2019	
Tim Ungar	Former Director	15 April 2010	30 October 2019
James McClements	Former Director / Former Company Secretary	15 April 2008	30 October 2019
Jim Ireland	Former Director	10 October 2010	39 October 2019
John Nicholas	Director	28 April 2009	19 September 2013
Michael Ashforth	Former Director	28 April 2009	23 February 2010
Cara McIntyre	Former Company Secretary	28 April 2009	30 October 2019

Source: ASIC and Company records

Details of Shareholders

- The Company has \$1,002 in paid up capital and 1,002 shares on issue.
- Members details are following:

Member Name	Class	Share %	No. of Shares Held
Colorado Properties Pty Ltd	ORD	0.2%	2
Aileendonan Investments Pty Ltd	ORD	6.09%	61
Alan Ireland	ORD	7.78%	78
Patricia Ireland	ORD	7.78%	78
Ann Black	ORD	2.00%	20
Robert Black	ORD	2.00%	20
Anne MacLeod	ORD	1.2%	12
Robert Vagnoni	ORD	1.2%	12
Michael Ashforth	ORD	8.18%	82
Australian Heritage Group Pty Ltd	ORD	4.09%	41
Cootingall Pty Ltd	ORD	2.40%	24
Eriditus Pty Ltd	ORD	2.89%	29
Erindale Nominees Pty Ltd	ORD	2.00%	20
Finhide Pty Limited	ORD	8.28%	83
Jedina Holdings Pty Ltd	ORD	4.09%	41
K.Biggs Enterprises Pty Ltd	ORD	2.00%	20

Statutory Information

■ Members details continued:

Member Name	Class	Share %	No. of Shares Held
Michael Beech	ORD	3.99%	40
Robin Beech	ORD	3.99%	40
Peacefield Holdings Pty Ltd	ORD	2.40%	24
Robert Black	ORD	2.00%	20
Ann Black	ORD	2.00%	20
Martin Wbester	ORD	2.00%	20
W. Fairweather & Son Pty Ltd	ORD	4.09%	41
Pyramid Peak Investments Pty Ltd	ORD	24.55%	246
Elltom Pty Ltd	ORD	8.18%	82

Source: ASIC and Company records

Historical Financial Information

■ The table below details the Company's historical financial position:

Balance Sheet	FY19	FY18	FY17
	(\$)	(\$)	(\$)
Current Assets			
Cash at Bank	69,088	60,752	24,303
Other Current Assets	10,176	21,044	26,778
Total Current Assets	79,264	81,796	51,081
Non-Current Assets			
Total Non Current Assets	6,439,827	6,427,035	6,417,303
Total Assets	6,519,091	6,508,832	6,468,385
Total Current Liabilities	17,975	52,246	38,201
Non-Current Liabilities			
Commercial bills	4,000,000	4,000,000	4,000,000
Unit Holder Loans	2,992,774	2,700,000	2,400,000
Other Non Current Liabilities	563,086	280,271	22,949
Total Non-Current Liabilities	7,555,861	6,980,272	6,422,949
Total Liabilities	7,573,835	7,032,518	6,461,150
Net Assets	(1,054,745)	(523,686)	7,235
Equity			
Current Earnings	(531,059)	(525,419)	5,516,037
Investor Equity	1,144	1,144	1,144
Retained Earnings	(14,845,809)	(14,320,390)	(19,836,426)
Unit Redemptions	14,320,980	14,320,980	14,326,480
Total Equity	(1,054,745)	(523,686)	7,235

■ The table below details the Company's historical financial performance:

Profit & Loss	FY19	FY18	FY17
	(\$)	(\$)	(\$)
Income			
Operating Income	168,963	192,651	198,738
Gross Profit	168,963	192,651	198,738
Less: Operating Expenses			
Property Costs	130,606	127,201	154,647
Insurance	29,457	26,808	25,198
Interest Expense	523,418	488,328	1,196,390
Other Expenses	16,541	75,734	90,693
Total Operating Expenses	700,022	718,071	1,466,928
Net Operating Profit (Loss) before adjustments	(531,059)	(525,419)	(1,268,190)
Extraordinary Items			
Interest Accrual Forgiveness	-	-	4,157,618
Loan Forgiveness	-	-	2,626,609
Retained Profits (accumulated losses) at the beginning of the FY	-	-	-
Total Extraordinary Items	-	-	6,784,227
Net Profit / (Loss)	(531,059)	(525,419)	5,516,037

Appendix 3 – Investigations – Information



General Information and Considerations

Date of Insolvency

- In order to ascertain if there were any insolvent transactions entered into by a company, it is first necessary to determine the date a company became insolvent.
- Proving the date on which a company became insolvent is an essential element of recovery actions with respect to unfair preferences, uncommercial transactions and insolvent trading.
- Recovery actions require the liquidator to prove that the particular company was insolvent at the time of the transaction, or in the case of an insolvent trading action, when the debt was incurred.

What is Insolvency?

- Solvency is defined in s 95A of the Act as when a company is able to pay all its debts as and when they become due and payable. A company that is not solvent is insolvent.
- Whether a company is able to meet its debts as they become due is essentially a “cash flow” test rather than a “balance sheet” test (although the company’s balance sheet position is still relevant).
- Consideration of the entire financial position of a company is required to establish if it is insolvent at a particular date. This includes factors such as the value of the company’s assets relative to its liabilities and the nature of these assets and liabilities. Also, the extent to which cash is expected to be generated from future trading activities, or available from alternative sources is relevant to considering a company’s solvency position.

General and Commercial Considerations

- Proving insolvency is often a complex exercise and usually involves considerable time and expense in thoroughly investigating all aspects of claims. Legal advice on the merits of claims is generally required.
- Typically, insolvent trading claims are defended and directors may seek to rely on the statutory defences available to them.
- Legal proceedings are often necessary for liquidators to pursue claims. This adds to the time and costs involved in pursuing claims. There is also inherent uncertainty involved with any litigation. As a result, commercial considerations are relevant, including whether the amount of the claim is large enough to pursue on a cost and risk/benefit basis.
- The capacity of a party to pay any successful claim to a liquidator is also a relevant consideration in determining whether or not pursuing an action is likely to be in the interest of creditors.
- Liquidators may not have funds to pursue actions. At other times, the liquidator may view the risks/benefits of pursuing an action not to be in the interest of creditors (for example, in cases where pursuing an action would use up the available cash/assets when otherwise a small dividend to creditors could be paid). In these circumstances, it is possible that a creditor or a litigation funder may wish to fund an action to pursue a claim. This typically occurs only when there is a very strong case and high prospect of success.

Appendix 4 – Creditor Information Sheet

Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading



Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to:

- the benefit or detriment to the company;
- the respective benefits to other parties; and
- any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years.

The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person. It will only be necessary to satisfy the court that there was a breach on the balance of probabilities. There is no time limit on when the transaction occurred.

Unreasonable payments to directors

Liquidators have the power to reclaim '*unreasonable payments*' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Appendix 5 – DIRRI

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS, AND INDEMNITIES

GERALDTON INVESTMENTS PTY LIMITED ACN 130 640 603 (ADMINISTRATORS APPOINTED) (“THE COMPANY”)

Practitioner(s) appointed to an insolvent entity are required to make declarations as to:

- A. Their independence generally;
- B. Relationships, including
 - i. The circumstances of the appointment;
 - ii. Any relationships with the Company and others within the previous 24 months;
 - iii. Any prior professional services for the Company within the previous 24 months;
 - iv. That there are no other relationships to declare; and
- C. Any indemnities given, or up-front payments made, to the Practitioner.

This declaration is made in respect of Ian Charles Francis and Daniel Hillston Woodhouse (“**the Administrators**”), and our fellow Senior Managing Directors/Managing Directors, FTI Consulting (Australia) Pty Ltd (“**FTI Consulting**” or “**Firm**”) and associated entities.

A. INDEPENDENCE

We, Daniel Hillston and Ian Charles Francis, of FTI Consulting have undertaken a proper assessment of the risks to our independence prior to accepting the appointment as Joint and Several Administrators of the Company in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. DECLARATION OF RELATIONSHIPS

i. Circumstances of appointment

This appointment was referred to FTI Consulting by Mr Andrew Fatin who is a director of the Company. We believe that this referral does not result in us having a conflict of interest or duty because of the following reasons:

- a) Mr Fatin has not to our knowledge previously referred insolvency-related or other work to FTI Consulting;
- b) FTI Consulting is not reliant upon referrals from Mr Fatin, who are one of a considerable number of persons, firms and organisations who refer work to, or seek advice from, FTI Consulting. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other referrals from Mr Fatin is not material to FTI Consulting;

- c) Work referrals arising from networks of business professionals, advisors and other persons are normal and accepted arrangements, and do not inherently impact on us discharging our statutory duties and obligations with independence and impartiality; and
- d) There are no conditions on the conduct or outcome of this administration arising from the referral, including no fees/commissions, agreements for work in the administration, or other benefits.

On Wednesday, 6 November 2019, Mr Fatin telephoned Greg Tomlin of our office to discuss the proposed appointment of an administrator to the Company. A subsequent meeting was held on 7 November 2019, between Mr Ian Francis and Mr Greg Tomlin and the secured creditor, nab.

The purposes of the meetings were:

- (a) To obtain sufficient information about the Company to enable discussion around the financial position of the Company;
- (b) To explain the various forms of insolvency appointments, the options available, and the consequences of an insolvency appointment;
- (c) To outline the process following an insolvency appointment; and
- (d) For us to provide a Consent to Act.

We have received no remuneration for this advice.

In our opinion, these meetings do not affect our independence for the following reasons:

- (a) The Courts and relevant professional bodies recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment;
- (b) The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the course of our appointment;
- (c) No advice has been given to the director in his capacity as director of the Company, or in relation to his personal circumstances; and
- (d) The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the appointment as Joint and Several Administrators of the Company in an objective and impartial manner.

We have provided no other information or advice to the Company, its directors and advisors prior to our appointment beyond that outlined in this DIRRI.

ii. *Relevant Relationships (excluding Professional Services to the Insolvent)*

We, or a member of our Firm, have, or have had within the preceding 24 months, a relationship

with:

Name	Nature of relationship	Reasons
National Australian Bank (“nab”)	nab, has a registered security interest over some or all of the assets of the Company. FTI undertakes work from time to time on behalf of nab in both a formal and an informal capacity.	We believe that this relationship does not result in a conflict of interest or duty because: <ul style="list-style-type: none">▪ It is common relationships to practitioners and financial institutions, such as nab.▪ The work that FTI Consulting undertakes for nab will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with Voluntary Administration of the Company in an objective and impartial manner.

iii. Prior Professional Services to the Insolvent

We, or a member of our Firm, have not provided professional services to the Company in the 24 months prior to the acceptance of this appointment.

iv. No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has security over the whole or substantially whole of the Company’s property that should be disclosed.

C. INDEMNITIES AND UP-FRONT PAYMENTS

We have not been indemnified in relation to this administration, other than any indemnities that we may be entitled to under statute and we have not received any upfront payments for remuneration or disbursements.

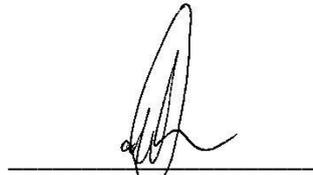
We note that nab has approved my fees of \$135,000 (plus GST and disbursements) to June 2020 to secure and realise the Company’s property which is subject to a first ranking mortgage in favour of nab (“**the Secured Property**”). These fees will be met from rental income received. To extent that these costs are not met from rental income, our fees will be deducted from the realisation proceeds of the Secured Property.

This does not include statutory indemnities. We have not received any other indemnities or upfront payments that should be disclosed.

Dated: 5 December 2019



Ian Charles Francis



Daniel Hillston Woodhouse

NOTE:

1. If circumstances change, or new information is identified, I am/we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice to update this Declaration and provide a copy to creditors with my/our next communication as well as table a copy of any replacement declaration at the next meeting of creditors.
2. Any relationships, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.

Appendix 6 – Remuneration Approval Report

5 DECEMBER 2019

REMUNERATION APPROVAL REPORT

GERALDTON INVESTMENTS PTY LTD
(ADMINISTRATORS APPOINTED)
ACN 130 640 603

Introduction

Information included in report

This remuneration approval report provides you with the information that you need to make an informed decision regarding the approval of our remuneration for undertaking the voluntary administration of Geraldton Investments Pty Ltd (Administrators Appointed) ACN 130 640 603.

This report has the following information included:

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Part 2: Executive Summary.....	1
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Schedule 2: Table of major tasks for Resolution 2 remuneration approval.....	11
Schedule 3: Table 8 of major tasks for Resolution 3 remuneration approval.....	13
Schedule 4: FTI Consulting Schedule of Rates.....	15

Part 1: Declaration

Daniel Woodhouse and I, Ian Francis of FTI Consulting have undertaken a proper assessment of the claims for remuneration for the appointment as Voluntary Administrators of Geraldton Investments Pty Ltd (Administrators Appointed) ACN 130 640 603 in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of this appointment.

Part 2: Executive Summary

We currently estimate the total remuneration for this appointment for the period 8 November 2019 to 30 November 2019 to finalisation of the Voluntary Administration to be approximately \$51,544 (plus GST). This includes \$31,544 (plus GST) incurred for the period of 8 November 2019 to 30 November 2019 (inclusive) and the anticipated costs from 1 December 2019 to 13 December 2019 of \$20,000.00 (plus GST).

Remuneration currently claimed is summarised below in Table 1.

Table 1: Remuneration Currently Claimed

Period	Report Reference	Amount (excl GST) \$
Voluntary Administration		
Resolution 1: Remuneration from 8 November 2019 to 30 November 2019 (inclusive)	Schedule 1	\$31,544.00
Resolution 2: Remuneration from 1 December 2019 to 13 December 2019 (inclusive)*	Schedule 2	\$20,000.00
Total		\$51,544.00
Liquidation		
Resolution 3: Remuneration from 14 December 2019 to 30 June 2020 (inclusive) under a liquidation scenario*	Schedule 3	\$83,500.00
Total - Liquidation		\$83,500.00
TOTAL remuneration claimed		\$135,044.00

* Approval for the future remuneration sought is based on an estimate of the work necessary to complete the administration. Should additional work beyond what is contemplated be necessary, further approval may be sought from creditors. If a lesser amount is incurred, we will limit our remuneration to that lesser amount.

Part 3: Remuneration

Remuneration claim resolutions

We will be seeking approval of the following resolutions to approve our remuneration. Details to support these resolutions are shown immediately below the resolutions and in the schedules to this report.

Resolution 1: Remuneration from 8 November 2019 to 30 November 2019 (inclusive)

The remuneration of the Voluntary Administrators of Geraldton Investments Pty Ltd (Administrators Appointed) ACN 130 640 603 from 8 November 2019 to 30 November 2019 (inclusive) be calculated on a time basis at the hourly rates set out in the Schedule of FTI Consulting Rates effective 1 March 2017, and is determined and approved for payment in the amount of \$31,544 (plus GST) and the Voluntary Administrators can draw the remuneration.

Resolution 2: Remuneration from 1 December 2019 to 13 December 2019 (inclusive)

The remuneration of the Voluntary Administrators of Geraldton Investments Pty Ltd (Administrators Appointed) ACN 130 640 603 from 1 December 2019 to 13 December 2019 (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Voluntary Administrators and staff of FTI Consulting, calculated at the hourly rates set out in the Schedule of FTI Consulting Rates effective 1 March 2017, up to a capped amount of \$20,000 (plus GST), and the Voluntary Administrators can draw the remuneration.

Resolution 3: Remuneration from 14 December 2019 to 30 June 2020 (inclusive) under a liquidation scenario

The future remuneration of the liquidators of Geraldton Investments Pty Ltd (In Liquidation) ACN 130 640 603 from 14 December 2019 to 30 June 2020 (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the liquidators and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Rates effective 1 March 2017, up to an initial capped amount of \$83,500.00 plus GST, and the liquidators can draw the remuneration as required.

Remuneration is calculated in accordance with the hourly rates applicable to the grades or classifications set out in the FTI Consulting Schedule of Rates which appear at Schedule 4 to this report. The hourly rates for this matter are at a discount from our firm's standard rates.

At this stage, based on the information presently available to us, we consider that it may be necessary to convene a further meeting of creditors to seek further approval from creditors. However, the position may change depending on the progress of the external administration and the issues that may arise.

Details to support resolutions

The basis of calculating the remuneration claims are summarised below and the details of the major tasks performed, and the costs associated with each of those major tasks are contained in Schedule 1 to Schedule 3 to this report.

Resolution 1: Remuneration from 8 November 2019 to 30 November 2019 (inclusive)

Table 2 below sets out time charged to each major task area by staff members working on the voluntary administration from 8 November 2019 to 30 November 2019 (inclusive) which is the basis of the Resolution 1 claim. More detailed descriptions of the tasks performed within each task area, matching the amounts below, are contained in Schedule 1.

Table 2: Remuneration For The Tasks Undertaken From 8 November 2019 to 30 November 2019								
Employee	Position	Rate/hour excl GST \$	Total actual Hours	Total (excl GST) \$	Task Area			
					Assets \$	Creditors \$	Investigation \$	Administration \$
Ian Francis	Senior Managing Director	550.00	4.00	2,200.00	110.00	1,760.00	330.00	0.00
Greg Tomlin	Senior Director – Real Estate Solutions	465.00	24.10	11,206.50	11,206.50	0.00	0.00	0.00
Jacqueline Sinclair	Senior Director	465.00	26.40	12,276.00	2,278.50	6,417.00	976.50	2,604.00
Loice Taderera	Associate I	205.00	23.70	4,858.50	0.00	2,747.00	1,312.00	799.50
Claire Rees	Administration II	170.00	4.20	714.00	0.00	255.00	0.00	459.00
Dhyana Ishibashi	Executive Assistant	170.00	1.70	289.00	0.00	0.00	0.00	289.00
Total			84.10	31,544.00	13,595.00	11,179.00	2,618.50	4,151.50
GST				3,154.40				
Total (including GST)				34,698.40				
Average hourly rate (excluding GST)				375.08	465.58	350.44	287.75	298.67

Resolution 2: Remuneration from 1 December 2019 to 13 December 2019 (inclusive)

Table 3: Expected Costs for the Major Tasks from 1 December 2019 to 13 December 2019 (inclusive)					
\$	Total	Task Area			
		Assets	Creditors	Investigation	Administration
Total (est)	20,000	5,000	10,000	2,000	3,000
GST	2,000	500	1,000	200	300
Total (incl GST)	22,000	5,500	11,000	2,200	3,300

Resolution 3: Remuneration from 14 December 2019 to 30 June 2020 (inclusive) under a liquidation scenario

The below Table 4 sets out the expected costs for the major tasks likely to be performed by the liquidators and their staff from 14 December 2019 to 30 June 2020 (inclusive) which is the basis of the Resolution 3 claim. More detailed descriptions of the tasks likely to be performed within each task area, matching the amounts below, are contained in Schedule 3.

Table 4: Expected Costs for the Major Tasks from 14 December 2019 to 30 June 2020 (inclusive)					
\$	Total	Task Area			
		Assets	Creditors	Investigation	Administration
Total (est)	83,500	63,500	5,000	5,000	10,000
GST	8,350	6,350	500	500	1,000
Total (incl GST)	91,850	69,850	5,500	5,500	11,000

Total remuneration reconciliation

At this point in time, I estimate that total remuneration will be \$51,544 (plus GST) and \$83,500 (plus GST) for the voluntary administration and liquidation process respectively. This estimate is on the assumption that the total selling period of the Secured Property is eight months and there are no significant impediments that arise during my appointment that delay marketing and the settlement of the Secured Property for an extended period of time.

This is consistent with the estimate provided in the Initial Remuneration Notice dated 11 November 2019, which estimated remuneration of between \$100,000.00 and \$200,000.00 (plus GST).

Likely impact on dividends

The Act sets the order for payment of claims against the company and it provides for remuneration of the Voluntary Administrators to be paid in priority to other claims. This ensures that when there are sufficient funds, the Voluntary Administrators receives payment for the work done to recover assets, investigate the company's affairs, report to creditors and ASIC and distribute any available funds. Even if creditors approve remuneration, this does not guarantee that we will be paid, as we are only paid if sufficient assets are recovered.

Any dividend to creditors will also be impacted by the amount of assets that we are able to recover and the amount of creditor claims that are admitted to participate in any dividend, including any claims by priority creditors such as employees.

It is uncertain at this point if there will be sufficient funds to pay a dividend to unsecured creditors.

Part 4: Disbursements

Explanatory note on 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** - these are recovered at cost. Examples of externally provided non-professional costs are travel, accommodation and search fees.
- **Internal disbursements** such as photocopying, printing and postage. These disbursements, if charged to the 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. Details of the basis of recovery of each of these costs is discussed below.

Creditor approval is not required in relation to externally provided professional and non-professional costs or disbursements charged at cost. Where payments to third parties have been made from the bank account of the external administration, those payments are disclosed in the summary of receipts and payments. Creditors have the right to question the incurring of the disbursements and can challenge disbursements in Court.

Basis on which future disbursements will be charged

Future disbursements will be charged to the administration on the basis of the Schedule of FTI Consulting Internal Disbursement Rates as shown in Table 5 below.

Table 5: Schedule of FTI Consulting Disbursement Rates		
Disbursement type	Charge Type	Charge Rate (excl GST)
Advertising	External, non-professional	At cost
ASIC Industry Funding Levy – registered liquidator metric events*	External, non-professional	At cost (at prescribed ASIC rates)
Couriers and deliveries	External, non-professional	At cost
Data Room Charges	External, professional	At cost
Facsimile	Internal (FTI)	Not charged
Legal Fees	External, professional	At cost
Postage	External, non-professional	At cost
Photocopying – internal	Internal (FTI)	Not charged
Photocopying – outsourced	External, non-professional	At cost
Printing – internal	Internal (FTI)	Not charged
Printing – outsourced	External, non-professional	At cost
Records costs – storage, destruction, boxes	External, non-professional	At cost
Search fees	External, non-professional	At cost
Staff motor vehicle use - mileage	Cents per km	At prescribed ATO rates
Staff travel – accommodation, meals etc	External, non-professional	At cost
Stationery and other incidental disbursements	External, non-professional	At cost
Telephone	Internal (FTI)	Not charged
Valuation Fees	External, professional	At cost
Other externally provided professional services		At cost
Other externally provided non-professional services		At cost

Part 5: Summary of Receipts and Payments

A summary of receipts and payments to and from the bank account for the voluntary administration for 8 November 2019 to 30 November 2019 appears in section 6 of the Administrators’ Report.

Part 6: Queries

If you have any queries or require any further information concerning our claim for remuneration, please contact Lo Taderera on +61 8 9321 8533 or via email on lo.taderera@fticonsulting.com.

Schedule 1: Table of major tasks for Resolution 1 remuneration approval

Table 6 below provides a description of the work undertaken in each major task area from 8 November 2019 to 30 November 2019 (inclusive).

Table 6: Work Undertaken From 8 November 2019 to 30 November 2019 (Inclusive)		
Task Area	General Description	Includes
Assets 36 Hours \$13,595.00	Property and Real Estate	<ul style="list-style-type: none"> ▪ Obtained information regarding the Secured Property from the Company. ▪ Taken control of the Secured Property including, but not limited to obtaining insurance, engaging AJG to conduct a safety review, and writing to tenants to secure rental monies. ▪ Sought quotes from valuers to conduct a valuation of the Secured Property. ▪ Sought marketing submissions from appropriately qualified selling agents.
	Cash and bank accounts	<ul style="list-style-type: none"> ▪ Communications with the banks to locate pre-appointment bank account. ▪ Liaise with nab with regard to accounts held and open administrators' bank account.
	Plant and Equipment	<ul style="list-style-type: none"> ▪ Search Department of Transport (DOT).
Creditors 30 Hours \$11,179.00	Creditor enquiries	<ul style="list-style-type: none"> ▪ Receiving and responding to creditor enquiries by telephone, email, facsimile and post. ▪ Maintaining register of creditor enquiries.
	Creditor Reports & circulars	<ul style="list-style-type: none"> ▪ Preparing and sending Initial Report to creditors. ▪ Providing DIRRI and Initial Advice on remuneration to Creditors.
	Processing PODs not relating to a dividend	<ul style="list-style-type: none"> ▪ Issuing, receiving and filing PODs. ▪ Maintaining POD register.
	First Meeting of Creditors	<ul style="list-style-type: none"> ▪ Preparing notices, proxies and advertisements. ▪ Preparing agenda and other meeting documents. ▪ Attendance at the first meeting of creditors. ▪ Preparing and lodging meeting minutes with ASIC. ▪ Responding to queries arising from meeting.
	PPSR Secured Parties	<ul style="list-style-type: none"> ▪ Search PPSR register ▪ Preparing update reports to nab, the secured creditor.
Investigation	Conducting investigation into affairs of the Company	<ul style="list-style-type: none"> ▪ Collecting company books and records. ▪ Reviewing books and records. ▪ Investigating and understanding company nature and

Table 6: Work Undertaken From 8 November 2019 to 30 November 2019 (Inclusive)

Task Area	General Description	Includes
7 Hours \$2,618.50		<ul style="list-style-type: none"> history. ▪ Obtaining and reviewing statutory searches ▪ Preparation of comparative financial statements ▪ Investigating specific transactions warranting investigation ▪ Communications with directors and/or officers concerning company information
Administration 11 Hours \$4,151.50	Appointment	<ul style="list-style-type: none"> ▪ Receiving appointment documents. ▪ Advising third parties of appointment including ATO, OSR and utilities.
	General	<ul style="list-style-type: none"> ▪ Word processing including correspondence, file notes, agendas and minutes. ▪ Care and maintenance of the file.
	Checklist/document maintenance	<ul style="list-style-type: none"> ▪ Updating appointment checklist. ▪ Physical and electronic document filing and maintenance.
	Insurance	<ul style="list-style-type: none"> ▪ Communications with broker concerning general insurance requirements. ▪ Engagement of AJ Gallagher to conduct an inspection and conduct a safety review of the Secured Property. ▪ Identification and resolution of specific insurance issues. ▪ Reviewing policies of insurance.
	ASIC lodgements	<ul style="list-style-type: none"> ▪ Preparations and lodging necessary forms with ASIC (505, DIRRI, RATA). ▪ General communications with ASIC.
	ATO lodgements	<ul style="list-style-type: none"> ▪ Notification of appointment. ▪ Requested for further information to assist with investigations.
	File and planning reviews	<ul style="list-style-type: none"> ▪ Internal meetings concerning the status of the appointment as required. ▪ File and planning reviews concerning the progress of the appointment as required.
	Planning review	<ul style="list-style-type: none"> ▪ Weekly meeting to discuss the status of the administration. ▪ Ad hoc meetings concerning the status of the administration.
	Storage of books and records	<ul style="list-style-type: none"> ▪ Organising and storage of books and records

Schedule 2: Table of major tasks for Resolution 2 remuneration approval

Table 7 below provides a description of the work to be undertaken in each major task area from 1 December 2019 to 13 December 2019 (inclusive).

Table 7: Work To Be Undertaken From 1 December 2019 to 13 December 2019 (Inclusive)		
Task Area	General Description	Includes
Assets 15 Hours \$5,000.00	Properties and Real Estate	<ul style="list-style-type: none"> ▪ Considering property engagement ▪ Discussing sale and marketing campaign with existing selling agent ▪ Reviewing valuation of the property ▪ Liaising with Lessee
	Sale of Business	<ul style="list-style-type: none"> ▪ Communications and negotiations with interested parties.
Creditors 25 Hours \$10,000.00	Creditors Enquiries	<ul style="list-style-type: none"> ▪ Receiving and dealing with creditor queries by telephone, email and post. ▪ Maintaining creditor enquiries register. ▪ Liaise with creditors regarding substantiation of claims.
	Second Creditor Meetings	<ul style="list-style-type: none"> ▪ Organising meeting notices and convening the second meeting of creditors. ▪ Preparing creditors’ brief to be presented at the second meeting. ▪ Attendance at the second meeting of creditors. ▪ Preparation and lodgement of minutes of the meeting. ▪ Lodging statutory documents pertaining to convening the second meeting of creditors.
	Processing proof of debts (POD)	<ul style="list-style-type: none"> ▪ Receiving and filing PODs. ▪ Maintaining POD register. ▪ Requesting further documentation where required to substantiate PODs.
	Creditor reports & circulars	<ul style="list-style-type: none"> ▪ Preparing Administrators Report to Creditors including analysis of the Company’s history, operations, creditor claims and estimated return to creditors.
Investigations 5 Hours \$2,000.00	Conducting investigation	<ul style="list-style-type: none"> ▪ Reviewing potential legal claims ▪ Collection and reviewing of company books and records
Administration 10 Hours \$3,000.00	General	<ul style="list-style-type: none"> ▪ Word processing including correspondence, file notes, agendas and minutes. ▪ Care and maintenance of the file.
	File review/checklist/document maintenance	<ul style="list-style-type: none"> ▪ Administration review. ▪ Document filing and maintenance.

Table 7: Work To Be Undertaken From 1 December 2019 to 13 December 2019 (Inclusive)

Task Area	General Description	Includes
		<ul style="list-style-type: none"> ▪ File reviews. ▪ Updating checklist.
	Bank accounts	<ul style="list-style-type: none"> ▪ Bank account reconciliations. ▪ Procuring and reviewing bank account statements. ▪ Communications concerning bank account transactions.
	ASIC lodgements	<ul style="list-style-type: none"> ▪ Preparation and lodging necessary forms with ASIC. ▪ General communications with ASIC.
	Meetings	<ul style="list-style-type: none"> ▪ Internal meetings to discuss the status of the administration.

Schedule 3: Table 8 of major tasks for Resolution 3 remuneration approval

Table 8 below provides a description of the work to be undertaken in each major task area from 14 December 2019 to 30 June 2020 (inclusive) under a liquidation scenario.

Table 8: Work To Be Undertaken From 14 December 2019 to 30 June 2020 (Inclusive)		
Task Area	General Description	Includes
Assets 135 Hours \$63,500.00	Properties and Real Estate	<ul style="list-style-type: none"> ▪ Obtaining and reviewing valuation of Secured Property. ▪ Liaising with property manager in relation to maintenance required to Secured Property. ▪ Liaising with tenants of Secured Property. ▪ Reviewing marketing submissions from selling agents. ▪ Engaging a selling agent to undertake marketing and sale campaign. ▪ Liaising with selling agent, valuer and nab in relation to any offers received and negotiating same. ▪ Preparing for settlement for sale of Secured Property and distribution to nab.
	Bank accounts	<ul style="list-style-type: none"> ▪ Collection of rental income. ▪ Bank account reconciliation.
Creditors 16 Hours \$5,000.00	Creditor enquiries	<ul style="list-style-type: none"> ▪ Maintaining register of creditor enquiries. ▪ Responding to creditor enquiries by telephone, email, facsimile and post.
	Creditor reports & circulars	<ul style="list-style-type: none"> ▪ Preparing Statutory Report to Creditors. ▪ Preparing ad hoc circulars to creditors.
	Creditor Meetings (If applicable)	<ul style="list-style-type: none"> ▪ Preparing meeting notices, proxies and advertisements. ▪ Distributing meeting notices & proxies. ▪ Preparing agenda and other documents for meeting. ▪ Preparing and lodging meeting minutes with ASIC. ▪ Responding to queries arising from meeting.
Investigation 16 Hours \$5,000.00	Potential Antecedent Transaction Recoveries and Insolvent Trading Claim	<ul style="list-style-type: none"> ▪ Analysing specific transactions warranting further investigation. ▪ Reviewing the Company's records regarding potential claims.
	Reporting to ASIC	<ul style="list-style-type: none"> ▪ Further investigating the Company's affairs and preparing and lodging statutory investigation report pursuant to Section 533 of the Act with ASIC. ▪ Preparing supplementary statutory investigation report to ASIC (if required). ▪ Requesting funding from ASIC (if required). ▪ Communications with ASIC concerning investigations.

Table 8: Work To Be Undertaken From 14 December 2019 to 30 June 2020 (Inclusive)

Task Area	General Description	Includes
Administration 30 Hours \$10,000.00	General	<ul style="list-style-type: none"> ▪ Word processing including correspondence, file notes, agendas and minutes. ▪ Care and maintenance of the file.
	Checklist/document maintenance	<ul style="list-style-type: none"> ▪ Updating appointment checklist. ▪ Physical and electronic document filing and maintenance.
	Bank accounts	<ul style="list-style-type: none"> ▪ Closing bank accounts. ▪ Bank account reconciliations.
	ASIC lodgements	<ul style="list-style-type: none"> ▪ Lodging end of administration return. ▪ Communicating with ASIC.
	ATO lodgements	<ul style="list-style-type: none"> ▪ Lodging a Cessation of appointment. ▪ Preparing and submitting BAS.
	Finalisation	<ul style="list-style-type: none"> ▪ Communication with ATO concerning finalization. ▪ Cancelling ABN/GST/PAYG registration. ▪ Finalising WIP. ▪ Completing checklists.

Schedule 4: FTI Consulting Schedule of Rates

FTI Consulting Rates effective 1 March 2017 (excluding GST)		
Typical classification	\$/hour	General guide to classifications
Senior Managing Director	550	Registered/Official Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	550	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered/Official Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	465	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered/Official Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	420	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	375	Typically an ARITA professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	320	Assists with the planning and control of small to medium administrations. May have the conduct of minor administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	290	Typically ICAA qualified (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large administrations.
Consultant 1	245	Qualified accountant with several year's experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	205	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	205	Typically a university undergraduate or graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Junior Associate	170	Undergraduate in the latter stage of their university degree.
Administration 2	170	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping or similar skills.
Junior Accountant	135	Undergraduate in the early stage of their university degree.
Administration 1	135	Has appropriate skills and experience to support professional staff in an administrative capacity.

DETAILS AND NOTICES FOR THE SECOND MEETING OF CREDITORS

- **Notice of the Second Meeting of Creditors of Company under Administration**

The agenda for the meeting is set out in the attached notice.

Please arrive at the meeting venue at least 15 minutes before the scheduled commencement time in order to sign-in.

Telephone facilities are available for those creditors wishing to attend by telephone. If you wish to attend by telephone can you please contact Lo Taderera no later than **4:00pm (AWST)** on **Thursday, 12 December 2019**, that the necessary arrangements can be made.

- **Appointment of Proxy Form**

This form should be completed if you intend to appoint another person to act on your behalf at the meeting, or if you are a corporate creditor.

- **Formal Proof of Debt or Claim Form**

This form allows you to tell us what you are owed by the Company. You must send us a completed form if you wish to vote at the meeting.

**GERALDTON INVESTMENTS PTY LTD ACN 130 640 603
(ADMINISTRATORS APPOINTED) (“THE COMPANY”)**

NOTICE OF SECOND MEETING OF CREDITORS

NOTICE IS HEREBY GIVEN that the second meeting of creditors of the Company will be held on **Friday, 13 December 2019**, at FTI Consulting’s office located at Central Park, Level 47, 152-158 St Georges Terrace, PERTH WA 6000, commencing at **11:00am (AWST)**.

AGENDA

1. The purpose of the meeting is:
 - a) to review the report of the Administrators and their recommendation in connection with the business, property, affairs and financial circumstances of the Company; and
 - b) for the creditors of the Company to resolve:
 - i) that the Company execute a deed of company arrangement; or
 - ii) that the administration should end; or
 - iii) that the Company be wound up.
2. To consider adjourning the second meeting of creditors for a period not exceeding 45 business days, if appropriate;
3. Creditors will be requested to fix the remuneration to be paid to the Administrators, as calculated on a time basis for the period 8 November 2019 to 30 November 2019 (inclusive);
4. Creditors will be requested to fix the remuneration to be paid to the Administrators, as calculated on a time basis for the period 1 December 2019 to completion of Voluntary Administration (inclusive);
5. If the Company is placed into liquidation, to consider the appointment of a Committee of Inspection and if required, to determine the members;
6. If the Company is placed into liquidation, creditors will be requested to fix the remuneration to be paid to the liquidators;
7. If the Company is placed into liquidation, the Liquidators be authorised to destroy the Company’s books and records three months after the date of deregistration of the Company, subject to the consent of the Australian Securities and Investments Commission; and
8. Any other business properly brought before the meeting.

Creditors wishing to vote at the meeting:

- who will not be attending in person or are a company, must complete and return an Appointment of Proxy Form (attached); and
- must complete and return a Formal Proof of Debt or Claim Form (attached) if not already done so, by no later than **4:00pm** on the last business day prior to the meeting, by post to FTI Consulting, PO Box Z5486, St Georges Terrace, PERTH WA 6831 or by facsimile on (08) 9321 8544.

Dated this 5th day of December 2019



Ian Francis
Joint and Several Administrator

APPOINTMENT OF PROXY
GERALDTON INVESTMENTS PTY LTD ACN 130 640 603
(ADMINISTRATORS APPOINTED)
("THE COMPANY")

I/We (name)

.....

of (address)

.....

a creditor of the Company, appoint (add name and address of proxy)

.....

or in his/her absence (add alternate proxy)

as my / our proxy, to vote at the second meeting of creditors to be held at **11:00am (AWST) on Friday, 13 December 2019 at 11:00am** or at any adjournment of that meeting.

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 some or all resolutions, specifically in the manner set out below (**please tick**).

	Resolution (please specify the particular resolution)	For	Against	Abstain
1	Resolution in relation to the future of the Company – Please note you may only vote in relation to either 1 (a) or (b) or (c). (a) The Company be wound up; OR (b) The Company should enter a Deed of Company Arrangement; OR (c) The Administration should end, and control of the Company be reverted to the Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2	The second meeting be adjourned for a period not exceeding 45 business days.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3	The remuneration of the Voluntary Administrators of Geraldton Investments Pty Ltd (Administrators Appointed) ACN 130 640 603 from 8 November 2019 to 30 November 2019 (inclusive) be calculated on a time basis at the hourly rates set out in the Schedule of FTI Rates effective 1 March 2017 and is determined and approved for payment in the amount of \$31,544 plus GST and the Voluntary Administrators can draw the remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4	The remuneration of the Voluntary Administrators of Geraldton Investments Pty Ltd (Administrators Appointed) ACN 130 640 603 from 1 December 2019 to 13 December 2019 (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the Voluntary Administrators and staff of FTI Consulting, calculated at the hourly rates set out in the Schedule of FTI Consulting Rates effective 1 March 2017, up to a capped amount of \$20,000 plus GST, and the Voluntary Administrators can draw the remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5	If Creditors resolve to wind up the Company			
	The future remuneration of the liquidators of Geraldton Investments Pty Ltd (In Liquidation) ACN 130 640 603 from 14 December 2019 to 30 June 2020 (inclusive) is determined and approved for payment at a sum equal to the cost of time incurred by the liquidators and staff of FTI Consulting, calculated at the hourly rates set out in the schedule of FTI Consulting Rates effective 1 March 2017, up to an initial capped amount of \$83,500.00 plus GST, and the liquidators can draw the remuneration as required.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6	“Whether a committee of inspection be appointed”	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	That pursuant to Section 70-35 of the Insolvency Practice Schedule, the Liquidators be authorised to destroy the books and records of the Company, three months after the deregistration of the Company, subject to obtaining the approval of the Australian Security and Investments Commission.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Dated:

.....
Name and signature of authorised person

.....
Name and signature of authorised person

CERTIFICATE OF WITNESS – only complete if the person given the proxy is blind or incapable of writing.

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.

Dated: Signature of witness: Description:

..... Place of residence:

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM

Subregulation 5.6.49(2)
Corporations Act 2001

GERALDTON INVESTMENTS PTY LTD ACN 130 640 603 (ADMINISTRATORS APPOINTED)

To the Administrators of Geraldton Investments Pty Ltd ACN 130 640 603 (Administrators Appointed) ("the Company")

1. This is to state that the Company was on 8 November 2019 and still is, justly and truly indebted to: _____

(full name, ABN and address of the creditor and, if applicable, the creditor's partners) for _____ dollars and _____ cents

Particulars of the debt are:

Date	Consideration (state how the debt arose)	Amount (\$/c)	Remarks (include details of voucher substantiating payment)
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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 (\$/c)	Due Date
------	--------	----------	---------------	----------

3. Signed by (select correct 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: _____ Occupation*: _____

Address: _____

** If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor*

RECEIVE REPORTS BY EMAIL	Yes	No
Do you wish to receive all future reports and correspondence from our office via email?	<input type="checkbox"/>	<input type="checkbox"/>
Email:.....		

If being used for the purpose of voting at a meeting:

- a) Is the debt you are claiming assigned to you? No Yes
- b) If yes, attach written evidence of the debt, the assignment and consideration given. Attached
- c) If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$ _____
- d) If yes, are you a related party creditor of the Company? No Yes
(f you are unsure contact the Administrators)

GUIDANCE NOTES FOR COMPLETING PROXY AND PROOF OF DEBT OR CLAIM FORMS APPOINTMENT OF PROXY FORM

A person can appoint another person to attend the meeting on their behalf by completing the Form of proxy.

If the creditor is a company or a firm, a person needs to be appointed to represent the company.

This representative needs to be appointed by completing the Form of Proxy in accordance with section 127 of the Corporations Act 2001 ("the Act"). Alternatively, the appointed person must be authorised to act as a representative for the company per section 250D of the Act.

The Form of proxy is valid only for the meeting indicated (or any adjournment).

You may appoint either a general proxy (a person who may vote at their discretion on motions at the meeting) or a special proxy (who must vote according to your directions). If you appoint a special proxy, you should indicate on the form what directions you have given. In many instances, there will be a box or section on the proxy form where you can mark how you want your proxy to vote for you.

If you are unable to attend the meeting and you do not have a representative who can attend on your behalf, you may if you wish appoint the Chairperson of the Meeting as your proxy. The Chairperson can be appointed as a general proxy or a special proxy. This is entirely your choice.

FORMAL PROOF OF DEBT OR CLAIM FORM

The proof of debt submitted during an Administration is used for voting purposes at any meetings of creditors and also to help establish the overall level of creditor claims in the administration.

Admission of your proof for voting purposes does not mean that the Administrator has agreed with your proof for the purpose of making a dividend distribution.

You should include a description of how your debt/claim arose, whether you are claiming a security interest in property and if you have any guarantees and indemnities for the debt. If you need more space, you can attach any additional details you wish to include – just make sure that you mention this on the form so we know what you've attached and how many pages.

You should provide supporting documents that substantiate what you are owed by the Company. This may include things like account statements, unpaid invoices and their corresponding purchase orders, PPSR registration, agreements/terms of trade, contracts, lease or hire agreements, court order or judgment, guarantee or loan document, emails/other correspondence with the Company.

If you need help in completing the forms or if you are uncertain what information you should attach, please email or telephone the nominated FTI Consulting contact person.