

CIRCULAR TO CREDITORS

27 November 2008
Ref: RH:JT:TH271108

Dear Sir/Madam

ASSET LOANS LTD ACN 107 745 095
ASSET LOAN CO PTY LTD ACN 107 746 798
INSTANT BUSINESS LOANS PTY LTD ACN 124 851 136
ASSET LIFE PTY LTD ACN 114 426 694
ASSET LOAN DEVELOPMENTS PTY LTD ACN 125 442 293
GALLIPOLI DEVELOPMENTS PTY LTD ACN 125 247 243
CAL DEV PTY LTD ACN 128 486 055
HERVEY BAY MARINA MOTEL PTY LTD ACN 125 432 555
AL RETIREMENT LIVING PTY LTD ACN 128 422 435
LAIDLEY PROPERTIES PTY LTD ACN 102 266 731
MIRIWinni DEVELOPMENTS PTY LTD ACN 126 886 842
(ALL ADMINISTRATORS APPOINTED)

ASSET LOAN INVESTMENTS PTY LTD ACN 113 135 452
(ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

(ALL COMPANIES COLLECTIVELY REFERRED TO AS "ASSET LOAN GROUP")

We refer to our appointment as Administrators of Asset Loan Group on 9 September 2008.

Please find *enclosed* a copy of the Asset Loan Group Section 439A Report to Creditors.

Pursuant to Section 439A(3) of the Act the second meeting of creditors is to be held on Friday 5 December 2008 at our offices located at level 25, Riverside Centre, 123 Eagle Street, Brisbane, Queensland 4000, at 10:00am Brisbane time.

Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532 (a copy of this form is attached to the Section 439A Report to Creditors). A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with the Administrators prior to the commencement of the meeting.

Please note that a creditor is required to lodge a Form 535 - Proof of Debt (a copy of this form is attached to the Section 439A Report to Creditors) to be entitled to vote at the second meeting of creditors. A creditor will not be able to vote at the meeting unless a Proof of Debt form is lodged and accepted prior to the commencement of the meeting.

Please ensure that you complete the relevant company proxy and proof of debt to which you are a creditor.

Should you have any queries and/or require any additional information, please contact Joshua Taylor on (07) 3308 7294 or Tom Hodgkinson on (07) 3308 7042.

Yours faithfully

A handwritten signature in black ink, appearing to read 'R.J. Hughes', written in a cursive style.

JOHN L GREIG & RICHARD J HUGHES
Administrators

Enc.

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**ASSET LOANS LTD
ASSET LOAN CO PTY LTD
GALLIPOLI DEVELOPMENTS PTY LTD
MIRIWINI DEVELOPMENTS PTY LTD
INSTANT BUSINESS LOANS PTY LTD
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(ALL ADMINISTRATORS APPOINTED)**

**ASSET LOAN INVESTMENTS PTY LTD
(ADMINISTRATORS APPOINTED)
(RECEIVERS AND MANAGERS APPOINTED)**

(Collectively referred to as the "Asset Loan Group")

Report to Creditors

Pursuant to Section 439A of the Corporations Act 2001

27 November 2008

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Glossary

Administrators	Messrs John Lethbridge Greig and Richard John Hughes
ALC	Asset Loan Co Pty Ltd (Administrators Appointed) ACN 107 746 798
ALD	Asset Loan Developments Pty Ltd (Administrators Appointed) ACN 125 442 293
ALI	Asset Loan Investments Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed) ACN 113 135 452
ALL	Asset Loans Ltd (Administrators Appointed) ACN 107 745 095
ALRL	AL Retirement Living Pty Ltd (Administrators Appointed) ACN 128 422 435
ANZ	Australia and New Zealand Banking Group Limited
Appointment Date	9 September 2008, the date of the appointment of the Administrators to Asset Loan Group
ASIC	Australian Securities & Investments Commission
Asset Life	Asset Life Pty Ltd (Administrators Appointed) ACN 114 426 694
Asset Loan Group	Asset Loans Ltd ACN 107 745 095 (ALL) Asset Loan Co Pty Ltd ACN 107 746 798 (ALC) Miriwinni Developments Pty Ltd ACN 126 886 842 (Miriwinni) Gallipoli Developments Pty Ltd ACN 125 247 243 (Gallipoli) Instant Business Loans Pty Ltd ACN 124 851 136 (IBL) Asset Life Pty Ltd ACN 114 426 694 (Asset Life) Asset Loan Developments Pty Ltd ACN 125 442 293 (ALD) Cal Dev Pty Ltd ACN 128 486 055 (Cal Dev) Hervey Bay Marina Motel Pty Ltd ACN 125 432 555 (HBMM) AL Retirement Living Pty Ltd ACN 128 422 435 (ALRL) Laidley Properties Pty Ltd ACN 102 266 731 (Laidley) (All Administrators Appointed) Asset Loan Investments Pty Ltd ACN 113 135 452 (ALI) (Administrators Appointed) (Receivers and Managers Appointed)
ASX	Australian Stock Exchange
ATO	Australian Taxation Office
Bankwest	Bank of Western Australia Ltd
Bowen Marina	Development involving ALC located at Bowen, Queensland
BSI	BSI Services Pty Ltd
Cal Dev	Cal Dev Pty Ltd (Administrators Appointed) ACN 128 486 055
Citadel	Citadel Property Group
Committees	ALL and ALC Committee of Creditors
Days Inn	Lot 1 on RP135854 – ALC holds a second ranking real property mortgage over this property
Deed Administrators	Messrs John Lethbridge Greig and Richard John Hughes, proposed Deed Administrators of the ALL DOCA
Deloitte	Deloitte Touche Tohmatsu
DIRRI	Declaration of independence, relevant relationships and indemnities
DOCA	Deed of company arrangement

Dunns Creek	Lot 14, 18 and 20 on DP1098869 – ALC holds a second ranking real property mortgage over this property
ERV	Estimated realisable value
ESOP	Estimated statement of position
FY	Financial year ended 30 June
Gallipoli	Gallipoli Developments Pty Ltd (Administrators Appointed) ACN 125 247 243
Gardez	Gardez Nominees Pty Ltd
Hare Consulting	Hare Consulting Pty Ltd
HBMM	Hervey Bay Marina Motel Pty Ltd (Administrators Appointed) ACN 125 432 555
IBL	Instant Business Loans Pty Ltd (Administrators Appointed) ACN 124 851 136
JAG	JAG Marine Group Pty Ltd
k	Thousands of dollars
Laidley	Laidley Properties Pty Ltd (Administrators Appointed) ACN 102 266 731
LAPD	LAPD Constructions Pty Ltd (Receivers and Managers Appointed)
m	Millions of dollars
Management	Management Asset Loan Group
Mgmt accounts	Management accounts
Miriwinni	Miriwinni Developments Pty Ltd (Administrators Appointed) ACN 126 886 842
Miriwinni Eco Resort	Lot 1 and 2 on SP165348, and lot 2 on RP741195 – Miriwinni holds a second ranking charge over these properties
Myra	Myra Nominees Pty Ltd, a subsidiary of Tricom
NAB	National Australia Bank Limited
Prudentia	Prudentia Investments Pty Ltd
PTQ	The Public Trustee of Queensland
Permanent Custodians	Permanent Custodians Ltd
QT	Queensland Transport
RATA	Report as to affairs
Receivers and Managers	Messrs John Cronin and Jamie Harris of McGrath Nicol
Riverstone	Riverstone Nominees Pty Ltd
SEA Apartments	Lot 1 on RP213309 and lot 3 on RP141394 – ALC holds a third ranking real property mortgage over this property
Suncorp	Suncorp Metway Ltd
The Act	Corporations Act 2001
The Court	The Federal Court of Australia or any of the state Supreme Courts
The Regulations	Corporations Regulations 2001
Tricom	Tricom Nominees Pty Ltd and Myra Nominees Pty Ltd
Westpac	Westpac Banking Corporation Pty Ltd
Xanderco	Xanderco Pty Ltd

1 Executive summary

On 9 September 2008 we, John Lethbridge Greig and Richard John Hughes were appointed Administrators of Asset Loan Group (**Appointment Date**) by resolutions of the directors of the companies pursuant to Section 436A of the *Corporations Act 2001 (Act)*. Receivers and Managers were appointed to one entity in the group, Asset Loan Investments Pty Ltd (**ALI**), by Suncorp Metway Ltd (**Suncorp**) on 27 October 2008 pursuant to its fixed and floating charge over the assets and undertakings of ALI.

We have conducted an investigation into the affairs of Asset Loan Group pursuant to Section 438A of the Act. The results of our investigations to date are set out within this report.

In addition to investigating the affairs of Asset Loan Group, Section 438A of the Act requires the Administrators to form an opinion about the future of each of the companies in the Asset Loan Group and give reasons for our opinion in relation to each of the following matters:

- whether it would be in creditors' interest for Asset Loan Group companies to execute separate or combined deed of company arrangements (**DOCA**), or
- whether it would be in creditors' interest for the administration of Asset Loan Group to end and control be returned to the directors, or
- whether it would be in creditors' interest for Asset Loan Group companies to be wound up.

For commercial reasons we are unable to provide full particulars of some asset values in this report.

1.1 Investigation

Section 438A(a) of the Act provides that as soon as possible after an administration begins the Administrators must investigate the company's business, property, affairs and financial circumstances.

This investigation is to determine whether a liquidator can recover funds from transactions entered into prior to the appointment of the Administrators, known as "insolvent transactions".

We believe that one of the directors of Asset Loan Co Pty Ltd (**ALC**) may have breached the Act and may be held personally liable for two payments he authorised during FY2008, in the event of liquidation. This breach is discussed in further detail in section 9.7 of this report.

No other insolvent transactions were identified.

1.2 Recommendations

A DOCA has been proposed for Asset Loans Ltd (**ALL**) only, as we are of the opinion that the return to ALL creditors would be greater under this DOCA than in a liquidation scenario.

We therefore recommend that creditors of ALL vote in favour of a DOCA.

DOCAs have not been proposed for any other Asset Loan Group companies.

We therefore recommend to creditors that all other Asset Loan Group companies be wound up.

We reserve the right to change our recommendation to creditors should there be any change to the proposal, or if an alternative proposal is received subsequent to the date of this report.

Should we receive any new information relevant to creditors between issuing this report and the date of the creditors meeting, a summary will be made available on our website at www.deloitte.com.au, under the Asset Loan Group links.

Our reasons for these recommendations are further discussed in section 13 of this report.

1.3 Second meeting of creditors

Pursuant to Section 439A(3) of the Act the second meeting of creditors is to be held on Friday 5 December 2008 at our offices located at level 25, Riverside Centre, 123 Eagle Street, Brisbane, Queensland 4000, at 10:00am Brisbane time (see Appendix J - Form 529 - Notice of the second meeting of creditors).

Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532 (see Appendix J). A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with the Administrators prior to the commencement of the meeting. Where a facsimile copy of a proxy is sent, the original must be lodged with us within 72 hours after receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairman of the meeting, prior to the commencement of the meeting.

Please note that a creditor is required to lodge a Form 535 - Proof of Debt (see Appendix J) to be entitled to vote at the second meeting of creditors. A creditor will not be able to vote at the meeting unless a Proof of Debt form is lodged with the Administrators prior to the commencement of the meeting. **Creditors must ensure they lodge the relevant proxy and Proof of Debt form for the company of which they are a creditor only.**

Noteholders are not entitled to vote at the second meeting of creditors; the Public Trustee of Queensland (PTQ) will vote on behalf of all noteholders. Accordingly, noteholders are not required to lodge Proof of Debt forms with the Administrators.

If a creditor wishes to rely upon the Proof of Debt form that they lodged with us at the first meeting of creditors, held on 19 September 2008, they must make reference to that Proof of Debt form when submitting a proxy, or when attending the second meeting of creditors.

At this meeting ALL creditors will be asked to resolve:

- that a DOCA be executed, or
- that the administration end, or
- that ALL be wound up.

Creditors of the remaining companies in the Asset Loan Group (excluding ALL) will be asked to resolve:

- that the administration of the respective company within Asset Loan Group end, or
- that the respective company within Asset Loan Group be wound up.

2 Independence statement

We undertook a proper assessment of the risks to our independence prior to accepting the appointment as administrators of Asset Loan Group. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from continuing with the appointment.

In April 2008 the PTQ, as our client, engaged us as investigating accountants of the Asset Loan Group.

There are no other prior professional or personal relationships that should be disclosed, other than usual commercial relationships set out in our Declaration of Independence, Relevant Relationships and Indemnities (**DIRRI**).

The PTQ has provided us with a full indemnity against any liability or loss resulting from the administration of ALL and ALC.

A full statement of our DIRRI as previously provided to creditors is attached as Appendix A.

3 Purpose of Administrators' report

Section 435A of the Act states that the objective of a voluntary administration is to allow for the business, property and affairs of an insolvent (or likely to become insolvent) company to be administered in a way that either:

- maximises the chances of the company continuing, or
- if it is not possible for the company to continue trading, results in a better return for creditors than would result from an immediate winding up.

We have conducted an investigation into the affairs of Asset Loan Group pursuant to Section 438A of the Act. The results of our investigations to date are set out in this report.

In addition to investigating the affairs of the company, Section 438A of the Act requires us to form an opinion about the future of each company within Asset Loan Group and give reasons for our opinion in relation to each of the following matters:

- whether it would be in creditors' interests for each company within Asset Loan Group to execute a DOCA, or
- whether it would be in creditors' interests for the administration to end and control be returned to the directors, or
- whether it would be in creditors' interests for each company within Asset Loan Group to be wound up.

4 Basis of this report

This report has been prepared primarily from information received from the directors and the books and records of Asset Loan Group. We have investigated the affairs of Asset Loan Group, however there may be certain matters of which we are not aware, or of which we have not been advised. We have not performed an audit of Asset Loan Group.

In order to complete this report, and in conducting our investigations, we have utilised information from:

- the Australian Securities and Investments Commission (**ASIC**)
- Asset Loan Group books and records
- discussions and questionnaires completed by the directors
- discussions with Management and staff.

Whilst we have no reason to doubt any information contained in this report, we reserve the right to alter our conclusions should the underlying data prove to be inaccurate or materially change from the date of this report.

5 Statutory information

A search of the ASIC Companies Database as at Appointment Date disclosed the following details of Asset Loan Group companies which held property, or were trading. Statutory information for all other companies in the Asset Loan Group, which were effectively dormant, is included in Appendix B of this report.

Organisation name:	Asset Loans Ltd (Administrators Appointed)
ACN:	107 745 095
ABN:	72 107 745 095
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	27 January 2004

Organisation name:	Asset Loan Co Pty Ltd (Administrators Appointed)
ACN:	107 746 798
ABN:	75 107 746 798
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	27 January 2004

Organisation name:	Asset Loan Investments Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)
ACN:	113 135 452
ABN:	47 113 135 452
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	25 February 2005

Organisation name:	Miriwinni Developments Pty Ltd (Administrators Appointed)
ACN:	126 886 842
ABN:	25 126 886 842
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	3 August 2007

Organisation name:	Gallipoli Developments Pty Ltd (Administrators Appointed)
ACN:	125 247 243
ABN:	99 125 247 243
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	4 May 2007

5.1 Officers

The directors and officers of Asset Loan Group companies which held property, or were trading as at Appointment Date are summarised below. This information covers the 12 month period leading up to Appointment Date. Director and officer information relating to all other companies in the Asset Loan Group, which were effectively dormant, is included in Appendix C of this report.

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Asset Loans Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	27 January 2004	-
Russell Frank Percival	Director	27 January 2004	-
Robert Edward Borbidge	Director	17 June 2004	-
Lisa Fonti Karlis	Company Secretary	14 May 2007	-

Asset Loan Co Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	27 January 2004	-
Russell Frank Percival	Director	27 January 2004	-
Lisa Fonti Karlis	Company Secretary	14 May 2007	-

Asset Loan Investments Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	25 February 2005	-
Russell Frank Percival	Director	13 March 2008	-
Paul Alexander Sydney Hare	Company Secretary	25 February 2005	-

Miriwinni Developments Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	3 August 2007	-
Russell Frank Percival	Director	3 August 2007	-

Gallipoli Developments Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	4 May 2007	-

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5.2 Charges

A search of the ASIC Companies Database revealed the following registered charges:

Current registered charge summary				
Ranking	Chargee	Date registered	Type	Partial release lodged
ALL ranking				
1.	PTQ	4 March 2005	Fixed & Floating	No
ALC ranking				
1.	PTQ	4 March 2005	Fixed & Floating	No
ALI ranking				
1.	Suncorp-Metway Ltd	20 May 2005	Fixed & Floating	Yes
2.	Permanent Custodians Ltd	21 December 2006	Fixed & Floating	Yes
3.	Westpac Banking Corporation Ltd	19 November 2007	Fixed & Floating	No
4.	Gardez Nominees Pty Ltd Turner Consultancies Pty Ltd ATF John Turner Discretionary Trust Edward George Turner and Janice Fay Turner ATF Turner Superannuation Fund Michael Eskander and Olivia Eskander ATF Eski Superannuation Fund Philip John Green and Vivienne Elizabeth Green ATF P&V Green Superannuation Fund David William Turner and Barbara Anne Turner ATF DW & BA Turner Family Trust	11 December 2007	Fixed & Floating	No
5.	Myra Nominees Pty Ltd	12 December 2007	Fixed & Floating	No
6.	ANZ	2 January 2008	Fixed & Floating	No
7.	ALC	23 January 2008	Fixed & Floating	No
Cal Dev ranking				
1.	Gardez Nominees Pty Ltd Philip John Green Vivienne Elizabeth Green Talbross Pty Ltd Turner Consultancies Pty Ltd Eve Myfanwy Green Brian Ball Judith Anne Ball Michael Eskander Olivia Eskander Edward George Turner Janice Fay Turner Ann Jeff David Ernest Jeff	10 January 2008	Fixed & Floating	No
Gallipoli ranking				
1.	ALC	30 August 2007	Fixed & Floating	No
2.	National Australia Bank Ltd	22 October 2007	Fixed & Floating	No
Miriwinni ranking				
Unknown	Tricom Nominees Pty Ltd	19 November 2007	Fixed & Floating	No
Unknown	ALC	19 November 2007	Fixed & Floating	No
ALRL ranking				
No registered charges				
Laidley ranking				
No registered charges				
IBL ranking				
No registered charges				
Asset Life ranking				
No registered charges				
ALD ranking				
No registered charges				
HBMM ranking				
No registered charges				

The rankings in the charge summary above are based on the date charges were registered. We have reviewed some of these charge documents to establish the priority of these charges and sought legal advice where required.

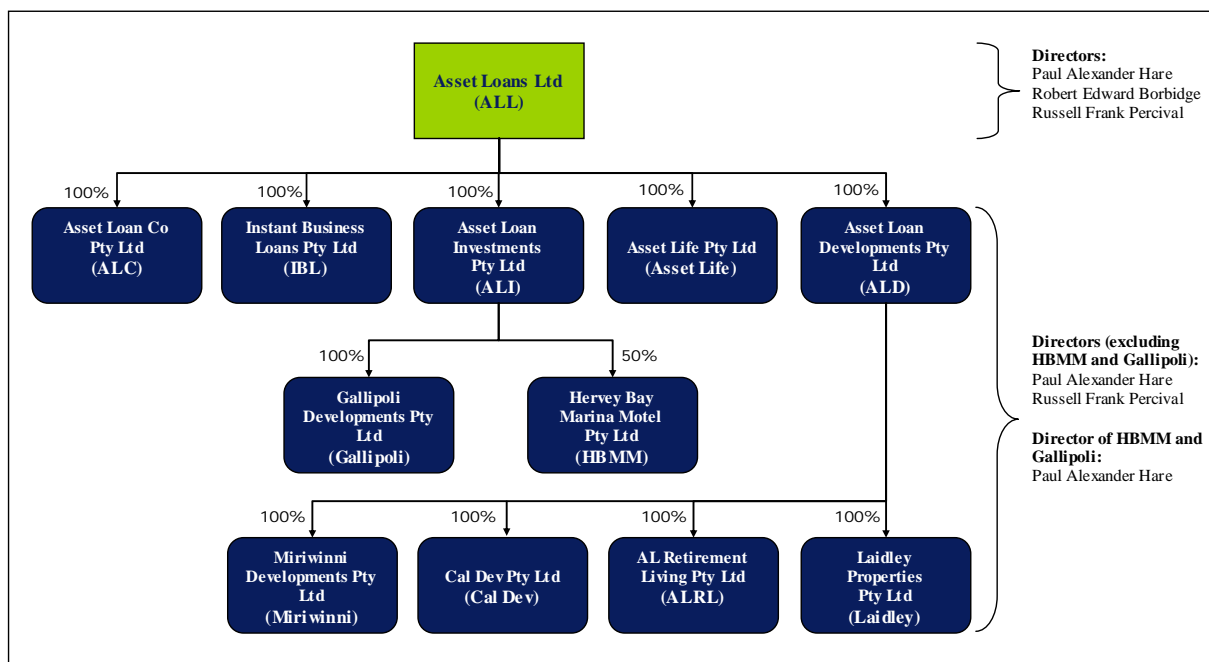
The ASIC Companies Database revealed that Australia and New Zealand Banking Group Limited (ANZ) has a provisional fixed and floating charge over Laidley Properties Pty Ltd (**Laidley**). This

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charge is actually held by the Bank of Western Australia Ltd (**Bankwest**). Bankwest advised us that this charge was provisional and will lapse as the facilities relating to the charge were not provided.

5.3 Shareholder structure

The Asset Loan Group structure is set out below.



The remaining 50% of HBMM is held by Mr Paul Hare on behalf of ALI.

ALL is limited by shares and is listed on the ASX. A summary of the top ten shareholders at Appointment Date is set out below.

No.	Shareholder	Class	Number	% held
1	Mr Russell Frank Percival - Percival Family Trust	Ordinary Shares - ASQESA	7,505,000	16%
2	Ms Judith Lorraine Hare - Hare Investment Pty Ltd	Ordinary Shares - ASQESA	5,985,000	13%
3	Ms Judith Lorraine Hare - Hare Family Account	Ordinary Shares - ASQESA	5,985,000	13%
4	Mr Russell Frank Percival - Percival Investment	Ordinary Shares - ASQESA	5,035,000	11%
5	Mr Paul Hare & Ms Judith Hare - Hare Super Fund	Ordinary Shares - ASQESA	3,040,000	7%
6	Mr Russell Percival & Ms Leanne Percival - Percival Family Super Fund	Ordinary Shares - ASQESA	2,470,000	5%
7	Xanderco Pty Ltd	Ordinary Shares - ASQ	4,139,000	9%
8	Vanbas International Inc	Ordinary Shares - ASQ	3,990,000	9%
9	ANZ Nominees Ltd	Ordinary Shares - ASQ	552,800	1%
10	Mr Archibald Dixon & Mrs Pamela Holdsworth - Dixon Holdsworth Super Fund	Ordinary Shares - ASQ	500,000	1%
	Other		7,366,200	15%
Total outstanding			46,568,000	100%

5.4 Auditors

The current auditors of Asset Loan Group as per ASIC records are KPMG. They were appointed on 27 January 2004.

The audit of the ALL consolidated accounts for FY2008 were not completed prior to the Appointment Date.

5.5 Director-related entities

Our investigations have revealed the following director-related entities.

Director	Company board	Status as boardmember	Company status
Paul Alexander Sydney Hare	Asset Loan Queensland Pty Ltd	Current member	Registered
Paul Alexander Sydney Hare	Biz Nominees Pty Ltd	Current member	Registered
Paul Alexander Sydney Hare	Cristal Enterprises Pty Ltd	Current member	Registered
Paul Alexander Sydney Hare	Downfield Pty Ltd	Current member	Deregistered
Paul Alexander Sydney Hare	Hare Consulting Pty Ltd	Current member	Registered
Paul Alexander Sydney Hare	Navire Pty Ltd	Current member	Registered
Paul Alexander Sydney Hare	Ravina QLD Pty Ltd	Current member	Registered
Paul Alexander Sydney Hare	Cheque Exchange (Australia) Pty Ltd	Previous member	Deregistered
Paul Alexander Sydney Hare	Cheque Exchange Limited	Previous member	Deregistered
Russell Frank Percival	Asset Loan Queensland Pty Ltd	Current member	Registered
Russell Frank Percival	Riverstone Nominees Pty Ltd	Current member	Registered
Russell Frank Percival	I.E.S. Pty Ltd	Previous member	Deregistered
Russell Frank Percival	Xandenco Pty Ltd	Previous member	Registered
Robert Edward Borbidge	CEC Group Ltd	Current member	Registered
Robert Edward Borbidge	Early Learning Services Ltd	Current member	Registered
Robert Edward Borbidge	International Investment Access Pty Ltd	Current member	Registered
Robert Edward Borbidge	Rotec Design Ltd	Current member	Registered

5.5.1 Director's remuneration

Hare Consulting Pty Ltd (**Hare Consulting**) is an unsecured creditor of ALC. In line with the terms of Mr Hare's employment contract, he received monthly remuneration via:

- director fees,
- a payment to Hare Consulting, and
- a payment to Hare Property Trust.

Mr Hare advised that his employment contract was structured this way for tax purposes.

Mr Percival had a similar arrangement, and received monthly remuneration via:

- director fees, and
- a payment to Mortgage Services Pty Ltd.

Gross annual remuneration for Mr Hare and Mr Percival was \$350k each.

Gross annual remuneration for Mr Borbidge was \$54k in FY2007.

5.5.2 Director-related loans and agreements

Mr Percival is one of two directors of Riverstone Nominees Pty Ltd (**Riverstone**) which held 302,000 shares in ALL at Appointment Date. Riverstone entered a syndicated loans deed with ALL around 2004 for the purpose of jointly funding commercial loan transactions. Mr Percival advised us that no loans were ever advanced under these arrangements. We have reviewed the ALL Annual Reports from FY2004 to FY2007 (the FY2008 Annual Report has not been finalised); no syndicated loan transactions between ALL and Riverstone were disclosed in these reports.

Riverstone advanced \$200k to ALC at 15% interest per annum during FY2006. According to the FY2007 ALL Annual Report, this amount was repaid on 3 October 2006.

From 2 December 2002 to 31 March 2004, ALL was a tenant of Riverstone pursuant to a commercial tenancy agreement for office premises located at Broadbeach, Queensland. Rent expense was \$5k per month.

ALL entered into separate loan agreements with Leanne Evelyn Percival as trustee for the Percival Investment Trust, and Judith Lorraine Hare as trustee for the Hare Investment Trust on 30 January 2004 pursuant to the following terms:

- ALL was advanced \$500k from both parties, at 15% interest per annum
- both loans matured on 1 July 2005
- both loans were secured by fixed and floating charges.

Xanderco Pty Ltd (**Xanderco**) is a related entity to Mr Percival and advanced \$1.9m to ALL around January 2004 pursuant to the following terms:

- loan matured on 19 February 2006
- interest was charged at 15% per annum on \$800k, and 10% per annum on the remaining \$1.1m balance
- the loan was secured by a second-ranking fixed and floating charge. This charge was originally registered as a first-ranking charge before an agreement was reached between Xanderco and the PTQ to subordinate this charge behind the PTQ's fixed and floating charge.

Management advise all of these loans are fully repaid. This is consistent with information contained in the FY2007 ALL Annual Report. These loans are discussed further in section 9.4 of this report.

Until 4 June 2008, Xanderco was also an unsecured noteholder of ALL. Xanderco redeemed all remaining unsecured notes on this date. We have reviewed the documentation surrounding this redemption and it appears to be in accordance with the terms of both ALL prospectuses. As liquidators we would investigate this further.

5.6 Group history and background

Asset Loan Group's core business was the provision of short term financing to businesses that could not source funds from mainstream banks or institutional financiers. The lending was conducted through ALC. ALC financed these lending activities through the issue of unsecured notes by ALL. Recently Asset Loan Group expanded its activities to include property investment and developments. A significant number of these real property assets were acquired from ALC borrowers who were unable to service their debt.

5.6.1 ALL

ALL is the Asset Loan Group holding company and is listed on the ASX. Its main function involved raising funds from the public through the issue of unsecured notes pursuant to a trust deed between ALL and the PTQ dated 2 March 2005 and amended on 7 September 2006, in accordance with two prospectuses summarised below. In order to secure the interest payment and redemption obligations to noteholders, the PTQ holds a first ranking fixed and floating charge over ALL and ALC.

1st Prospectus

ALL stated in its 1st Prospectus, issued 4 March 2005, that the business commenced in 2000 and was previously run through a private company. Access to additional funds was needed in order to grow the business, and ALL was incorporated and listed on the ASX on 11 November 2004 in order to raise the necessary funding. The 1st Prospectus sought to raise a maximum of \$20m from investors until its expiry on 3 April 2006. Unsecured notes were issued for a face value of \$1 on either six or 12 month

terms with interest paid quarterly. Unsecured notes could not be redeemed before maturity except at the discretion of ALL. A minimum subscription of \$10k was required, with the rate of return on the unsecured notes dependant on the term of investment.

2nd Prospectus

ALL issued a 2nd Prospectus to public investors on 14 September 2006. The terms of the 2nd Prospectus were similar to those of the 1st Prospectus, although the unsecured notes issued under the 2nd Prospectus could only be invested on 12, 24 or 36 month terms. This was an attempt by ALL to match the maturity of its liabilities with the ALC loan book profile. The 2nd Prospectus stated that it was “considering” adding loans for 24 months secured by first or second mortgages to its product range in addition to developing other loan products. At Appointment Date the amount outstanding on the unsecured notes was \$11.9m, including accrued interest.

Redemption of unsecured notes

Both of the prospectuses state that noteholders must notify ALL in writing 30 days or more before the maturity date to be eligible to redeem their investment. The prospectuses also state that early redemption is at the discretion of ALL.

Fixed and floating charges

The prospectuses both stated that notes were unsecured, although they were supported by first ranking fixed and floating charges in favour of the PTQ for the purposes of securing the debts to the noteholders. These were registered over ALL and ALC on 5 March 2005. In addition, as monies raised from noteholders were lent to ALC and other companies within Asset Loan Group, the PTQ and Asset Loan Group (excluding ALL and ALC) executed a Guarantee and Indemnity on 31 July 2008. In summary, the Guarantee and Indemnity agreement provided for Asset Loan Group (excluding ALC and ALL) to guarantee the PTQ’s obligation under the Trust Deed.

ALL Listing

A summary of ALL ASX-listing information at Appointment Date is provided below.

ASX market statistics	
ASX code	ASQ
Share price prior to suspension (\$)	0.06
No of shares on issue	46,568,000
Market capitalisation	\$2,794,080

The ALL directors resolved to voluntarily suspend the securities of ALL from the ASX on 29 August 2008 to allow them to:

- negotiate with financiers regarding new property development projects arising from default loans at 30 June 2008
- continue with negotiations for the sale of inventory.

5.6.2 ALC

ALC is the main operating entity of the Asset Loan Group. As a result of loans to third parties and related entities, it holds a number of second and third ranking real property mortgages. ALC borrowed the funds raised by ALL to fund its operations. The directors advise that there was a loan agreement between ALL and ALC, which was executed on 31 July 2008. The loan between ALC and ALL is unsecured. At Appointment Date ALC owed ALL approximately \$15.9m.

Loan book

ALC's loan book at Appointment Date was \$15.4m after recent write-offs, and consisted of 16 loans, some of which were secured by real property mortgages, company charges or caveats over real property. Most loans were to property developers, however there is also a small unsecured book. All of the loans are in default and subject to recovery processes.

Property development

During FY2007, Asset Loan Group expanded its business to include property development. At Appointment Date, ALC held an interest in the Bowen Marina development (**Bowen Marina**); construction has not yet commenced. This interest was held via a loan and profit agreement with JAG Marine Group Pty Ltd (**JAG**). On 6 June 2005 ALC entered into a series of agreements with JAG and its various related parties whereby ALC agreed to advance monies to JAG (subject to a fixed and floating charge) for the purpose of enabling JAG to develop the Bowen Marina. One of these agreements was essentially a joint venture agreement entitling ALC to 60% of any profits generated from the Bowen Marina. At Appointment Date JAG owed ALC approximately \$2.8m as a result of the loan plus the profit share.

The Bowen Marina is to be developed on Crown land and JAG has previously occupied the development area pursuant to a permit to occupy issued by Queensland Transport (**QT**). The most recent permit to occupy expired on 31 August 2008 and was not renewed.

As JAG was unable to complete the Bowen Marina on its own, it marketed its rights under the permit for sale. As a result JAG entered into an agreement with ALC and Prudentia Investments Pty Ltd (**Prudentia**), for the sale of its interest in the Bowen Marina.

Our initial concern with the Bowen Marina was that if JAG's permit to occupy was not renewed by Queensland Transport, and/or the agreement with Prudentia for the development of the site did not proceed, then ALC's interest in the development would not realise any funds for ALC's creditors. This would also impact the likely return for noteholders due to the PTQ's fixed and floating charge over the assets of ALC. We understand that JAG has no other assets other than the permit to occupy which expired prior to Appointment Date, and the related intellectual property for the development. Our initial concerns were realised in that the permit to occupy was not renewed by QT.

As Administrators of ALC we have agreed in principle with an interested party to the sale of ALC's interest in the Bowen Marina (both the loan to JAG and the joint venture interest) and have discussed this agreement in section 6.4 of this report. As the agreement is not yet executed and is likely to be confidential we have not disclosed any details of this interested party.

Employees

All employees of Asset Loan Group were employed by ALC. At Appointment Date ALC employed six staff; all have since been terminated. Directors' and employees' claims for wages, holiday pay, long service leave and superannuation total \$213k. The claims of employees represent a priority claim pursuant to section 556 of the Act. The Act also states that claims made by directors are limited to \$1.5k for holiday pay and long service leave and \$2k for unpaid wages. In accordance with the Act, ALC priority employee entitlements (including directors' capped amounts) total \$68k.

We have used the services of some ex-employees on an ad hoc basis and paid them accordingly. Directors have not received any remuneration during the administration period.

5.6.3 ALI

ALI operates as a property investment and development entity. Suncorp appointed Receivers and Managers to ALI on 27 October 2008 pursuant to their first ranking fixed and floating charge.

Property development

ALI holds several real properties for the purpose of property development and investment. ALC holds second or third ranking real property mortgages over the following properties owned by ALI:

- SEA Apartments, lot 1 on RP213309 and lot 3 on RP141394 (**SEA Apartments**) – ALI recently commenced construction on 43 luxury apartments in Hervey Bay. ALI is the owner of this property. Westpac Banking Corporation Pty Ltd (**Westpac**) hold a first registered real property mortgage, followed by Myra Nominees Pty Ltd (**Myra**), with ALC holding a third ranking real property mortgage
- Days Inn, lot 1 on RP135854 (**Days Inn**) – Construction of this 100 residential unit development in Hervey Bay has not commenced. ALI is the owner of this property. Permanent Custodians Ltd (**Permanent Custodians**) holds a first ranking registered real property mortgage, with a second ranking real property mortgage held by ALC
- Dunns Creek, lot 14, 18 and 20 on DP1098869 (**Dunns Creek**) – This is a three lot rural residential subdivision. ALI is the owner of all three lots. ALC holds a first ranking real property mortgage over this property subject to a priority agreement in favour of the National Australia Bank Limited (**NAB**). Accordingly, ALC is relegated to second priority.

Despite the appointment of the Receivers and Managers over ALI, as Administrators we intend to realise the SEA Apartments and Dunns Creek properties with the consent of the secured creditors.

Permanent Custodians, the first ranking chargeholder of Days Inn, are taking steps to realise this property.

ALI owned a property located at Patrick Street, Laidley which was sold prior to Appointment Date for \$4.8m. From the sale proceeds, \$1.9m of ALC intercompany debt was repaid and the ANZ received \$1.3m in satisfaction for their real property mortgage.

Property investment

ALI owns two levels of the Gold Coast-based Huntington Apartments and leases a portion of the floor space to commercial tenants. The Asset Loan Group head office is located at these premises. ALC holds a seventh ranking fixed and floating charge over ALI. The Receivers and Managers have entered into control of this property and ALI. Suncorp holds a first ranking real property mortgage over Huntington Apartments, followed by Gardez Nominees Pty Ltd (**Gardez**), then Myra. We understand the Receivers and Managers are taking steps to market and sell this property.

5.6.4 Miriwinni

Miriwinni Developments Pty Ltd (**Miriwinni**) is a non-operating entity which holds several properties (lot 1 and 2 on SP165348, and lot 2 on RP741195) that were to be developed into a resort (**Miriwinni Eco Resort**). To date no development has commenced. Tricom Nominees Pty Ltd (**Tricom**), as the first registered mortgagee, has issued notices to ALC advising of their intention to enter into possession of this property. ALC is the second mortgagee of these properties.

5.6.5 Gallipoli

Gallipoli Developments Pty Ltd (**Gallipoli**) is a non-operating entity which holds two properties in Port Kembla, NSW, that were to be developed into townhouses. To date no development has commenced. ALC holds a first registered mortgage over these properties, however it has entered into a priority agreement with the NAB. Accordingly the NAB debt will be paid first from any realisations.

We are currently in the process of realising one of the Gallipoli properties.

5.6.6 Other companies

Asset Loan Developments Pty Ltd (**ALD**) is a non-operating entity which was established to hold properties for development. It holds no real property or other assets.

Asset Life Pty Ltd (**Asset Life**) is a non operating entity which was established to operate a new business of “life settlements” which did not commence trading. It holds no real property or other assets.

AL Retirement Living Pty Ltd (**ALRL**) is a non-operating entity which was established to hold properties for development. It holds no real property or other assets.

Laidley Properties Pty Ltd (**Laidley**) is a non-operating entity which was established to hold properties for development. It holds no real property or other assets.

Cal Dev Pty Ltd (**Cal Dev**) is a non-operating entity which was established to hold a property for development. The property was sold prior to Appointment Date. ALC received \$698k from this property sale.

Hervey Bay Marina Motel Pty Ltd (**HBMM**) is a non-operating entity which was established to hold a property for development. It holds no real property or other assets.

Instant Business Loans Pty Ltd (**IBL**) is a non-operating entity which was established to commence a new short-term lending business which never eventuated.

5.7 Summary of financial statements

Overview

Management accounts for Asset Loan Group and its controlled entities were prepared to 10 September 2008 (except the consolidated statement of cash flows which was prepared to 30 June 2008). The 2008 Annual Report has not been completed and was in the process of being audited prior to our appointment.

Management have not reconciled the 10 September 2008 management accounts, nor prepared them on a consolidated basis. As a result, the amounts detailed below are estimated consolidated balances only.

A summary of the historical consolidated financial statements for Asset Loan Group are provided below. Detailed historical financial statements for all Asset Loan Group companies are included in Appendix D of this report, excluding statements of cash flows which were only prepared by Management on a consolidated basis.

Consolidated income statement

For the year ended 30 June	10 Sep 2008 (part yr)		2008	2007	2006
	Mgmt accounts	Mgmt accounts		Audited	Audited
	\$'000	\$'000	\$'000	\$'000	\$'000
Interest revenue	200	5,090	15,902	9,559	
Fee revenue	-	256	1,432	881	
Borrowing costs	(520)	(3,561)	(2,729)	(1,612)	
Other revenue	92	289	6,729	91	
	(228)	2,073	21,335	8,919	
Expenses					
Employee expenses	177	1,623	1,348	1,248	
Administrative expenses	252	1,291	987	637	
Advertising and marketing expenses	4	151	668	507	
Property development costs	-	3,346			
Loan administration costs	-	57	170	149	
Occupancy costs	82	262	137	66	
Impairment losses	-	9,614	9,013	4,939	
Depreciation	-	138	114	63	
Other expenses	-	-	-	4	
Profit before income tax	(742)	(14,409)	8,899	1,306	
Income tax expense (benefit)	-	(1,423)	2,839	382	
Profit attributable to equity holders	(742)	(12,986)	6,061	924	

The categorisation of general ledger accounts may differ between audited and management accounts and therefore some items are not directly comparable between years.

Consolidated balance sheet

As at 30 June	10 Sep 2008	2008	2007	2006
	Mgmt accounts	Mgmt accounts	Audited	Audited
	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	(577)	1,332	5,356	1,762
Loan and advances	12,965	13,357	17,125	19,382
Other assets	347	64	1	2
Current tax assets	5		609	-
Total current assets	12,740	14,753	23,091	21,146
Non current assets				
Inventories	14,830	14,522	6,140	-
Other investments - Bowen Marina	3,297	3,282	6,637	-
Deferred tax asset	1,190	1,190	941	1,353
Property, plant and equipment	4,208	4,208	4,342	3,944
Total non-current assets	23,525	23,203	18,061	5,296
Total assets	36,265	37,956	41,152	26,443
Current liabilities				
Trade and other payables	333	927	1,748	565
Loans and borrowings	22,512	21,125	18,404	17,736
Employee benefits	394	316	135	35
Current tax payable	55	144	-	482
Deferred income	-	-	189	169
Total current liabilities	23,294	22,513	20,476	18,987
Non-current liabilities				
Loans and borrowings	13,560	16,212	7,287	2,086
Other non-current liabilities	-	5	3	-
Deferred tax liabilities	1,579	1,579	2,754	197
Total non-current liabilities	15,139	17,796	10,044	2,283
Total liabilities	38,433	40,309	30,519	21,270
Net assets	(2,168)	(2,353)	10,633	5,173
Equity				
Share capital		4,026	4,026	4,026
Reserves		788	788	460
Retained earnings		(7,167)	5,819	687
Total equity attributable to equity holders		(2,353)	10,633	5,173

Management have not provided information with respect to the equity accounts at 10 September 2008.

On receiving advice from the ALL Audit Committee, Management resolved to seek voluntary suspension from the ASX in late August 2008 to allow them to:

- negotiate with financiers regarding new property development projects arising from default loans at 30 June 2008. Management indicated the outcome of these discussions might affect the value of the ALC loan book, and
- continue with negotiations for the sale of inventory, which may affect the value of inventory.

Management advised the above activities did result in the revaluation of key assets, and subsequently when the 30 June 2008 accounts were drafted in late August 2008, the consolidated accounts had a negative net asset position of \$2.4m.

Consolidated statement of cash flows

For the year ended 30 June	2008	2007	2006
	Mgmt accounts	Audited	Audited
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Cash receipts from customers	526	3,412	1,205
Cash paid to suppliers and employees	(3,427)	(4,579)	(2,663)
Mortgage loans advanced	(2,827)	(17,390)	(19,318)
Mortgage loans repaid	5,987	22,726	7,052
Interest received	1,685	4,362	4,516
Interest paid	(2,244)	(2,710)	(1,252)
Income taxes paid	752	(1,102)	(727)
Net cash from operating activities	451	4,719	(11,185)
Cash flows from investing activities			
Acquisition of property, plant and equipment	(4)	(44)	(952)
Acquisition of property developments - inventories	(4,937)	(6,140)	-
Net proceeds of property developments - inventories	630	-	-
Deposits paid	165	(170)	-
Net cash from investing activities	(4,146)	(6,354)	(952)
Cash flows from financing activities			
Proceeds from issue of unsecured notes	1,594	5,403	14,216
Repayment of unsecured notes	(6,264)	(4,571)	(1,421)
Proceeds from borrowings - secured	7,303	3,205	2,046
Proceeds from borrowings - other parties	3	2,500	-
Repayment of borrowings	(2,789)	(200)	(1,283)
Payment of finance lease liabilities	(177)	(177)	-
Dividends paid	-	(931)	(1,048)
Net cash from financing activities	(329)	5,229	12,509
Net increase in cash and cash equivalents	(4,024)	3,594	372
Cash and cash equivalents at 1 July	5,356	1,762	1,391
Cash and cash equivalents at 30 June	1,332	5,356	1,762

Financial commentary

Historically the main revenue driver for Asset Loan Group was interest revenue earned from the ALC loan book. This revenue stream deteriorated significantly from FY2007 to Appointment Date as a large portion of these loans went into default, and were subsequently expensed as bad debts (\$6.3m in FY2007 and \$5.9m in FY2008). All of the loans are now in default and subject to recovery processes. Only a small number of loans were advanced to borrowers in FY2008 (\$2.8m) compared to FY2007 (\$17.4m). This was due to the restrained cash flow caused by defaulting loans and Management's continued focus on property development as a future revenue stream.

ALC held real property mortgages (usually second ranking), company charges or registered caveats over many of the properties owned by loan book borrowers. Over time a number of these real property assets were acquired through foreclosure and transferred to the balance sheets of ALI, Gallipoli and Miriwinni for future property development (inventories increased to \$6.1m at FY2007, and \$14.5m at FY2008). Refer to section 9.7 of this report for further details of the foreclosures.

The FY2007 income statement included one-off other revenue of \$6.6m pertaining to an increase in the value of the Bowen Marina following a valuation undertaken by CB Richard Ellis. Management advised that the recording of this increase in fair value as a revenue item was made in accordance with the financial reporting requirements for embedded derivatives (Asset Loan Group held an option to

acquire a 60% interest in JAG, the developers of the Bowen Marina). This revaluation contributed significantly to the FY2007 consolidated profit before income tax position of \$6.1m.

Key operating cash flow accounts including mortgage loans repaid and interest received decreased significantly from FY2007 to FY2008 as a result of ALC loan book write-offs and Management's decision to expand the property development business.

5.8 Reasons for failure

The directors indicated that the main reasons for Asset Loan Group's financial difficulties were:

- the inability to secure further funding from third parties, in part due to the downturn of the global financial markets
- numerous delays in the sale of the Bowen Marina, and the inability of prospective purchasers to finalise other property transactions
- delays in the recovery of loans
- the subsequent failure of the parent company, ALL.

In our opinion, the main reasons for the failure of Asset Loan Group are:

- the inability of ALL, ALC and ALI to continue to fund their operations resulting in the appointment of Administrators to all Asset Loan Group companies
- insufficient cash reserves to meet noteholder redemptions, interest payments and creditor liabilities, in part due to the deteriorating position of the ALC loan book
- the failure to secure further third party funding, or raise additional capital through note issues
- the delayed sale of the Bowen Marina and loan recoveries which Asset Loan Group required to meet its short term cash flow commitments.

6 Summary of administration to date

6.1 First meeting of creditors

On 19 September 2008, a meeting of creditors of all Asset Loan Group companies was held in accordance with Section 436E of the Act. At this meeting, our appointment as Joint and Several Voluntary Administrators was confirmed. Also at that meeting, we advised that we would undertake an investigation into the affairs of the companies while we pursued both restructuring strategies and a sale process in order to formulate a proposed DOCA to be presented to creditors for their approval at a second meeting of creditors.

It was also resolved that two Committees of Creditors (the **Committees**) be formed. The following creditors were nominated and were elected as members of the Committees:

Creditor name	Representative	Committee
Public Trustee of Queensland	Mr Glenn Dickson	Asset Loans Ltd (Administrators Appointed)
Public Trustee of Queensland	Mr Glenn Dickson	Asset Loan Co Pty Ltd (Administrators Appointed)
Nivex Pty Ltd	Mr Robert Steel	Asset Loan Co Pty Ltd (Administrators Appointed)
Barachel Eada Pty Ltd	Mr Kevin Steel	Asset Loan Co Pty Ltd (Administrators Appointed)

We convened a formal meeting for each Committee, which were both held on 5 November 2008. The purpose of these meetings was to

- discuss the sale of ALC's interest in the Bowen Marina
- provide an update on the administrations.

We have convened a second formal meeting for each Committee, which is to be held on 2 December 2008, in order to:

- approve our remuneration as Administrators of ALC and ALL for the period 9 September to 31 October 2008
- approve our remuneration as Administrators of ALC and ALL from the period 1 November 2008 to the end of the administration
- provide an update on the administration.

We will provide creditors with an update on the outcome of the above Committee meetings at the second meeting of creditors.

6.2 Extension of convening period

Administrators are required by the Act to convene a second meeting of creditors within 20 business days of the date of their appointment, and to hold this meeting within five business days either side of the end of this convening period. Given the nature of the actions we were seeking to undertake to achieve a return for creditors, particularly the sale of the assets, we considered this period to be too short a time frame in which to investigate the affairs of Asset Loan Group, report to creditors and progress with the marketing and sale of various assets.

At the first meeting of creditors, we advised creditors that we would be applying to the Court to have the convening period extended for the second meeting of creditors for all Asset Loan Group companies. There were no objections made to this proposed course of action. We also sent creditors notice of our intentions via a circular dated 25 September 2008.

On 2 October 2008, the Supreme Court of Queensland extended the convening period to 28 November 2008 for all Asset Loan Group companies, to allow the Administrators the opportunity to maximise the returns to creditors and be in a position to put, if possible, a DOCA to creditors at the second meeting. A notice dated 8 October 2008 was forwarded to all creditors, noteholders and shareholders, advising that the extension had been granted by the Court. A notice was also published on our website, and lodged with the ASX and ASIC.

6.3 The Administrators' actions to date

Following appointment, we took control of the operations and affairs of Asset Loan Group and presently remain in control of all companies, except ALI, which is controlled by the Receivers and Managers.

We undertook immediate operational and statutory actions for the conduct of the Voluntary Administration. These included:

- making all six staff redundant
- meetings with directors and officers of Asset Loan Group
- discussions and meetings with the secured creditors across the Asset Loan Group
- review and analysis of relevant agreements, including property development agreements
- liaising with interested parties in purchasing the assets of Asset Loan Group

- preparation and dispatch of an Information Memorandum seeking expressions of interest for the assets of Asset Loan Group
- meeting with interested parties
- dealing with interested parties' questions
- review and analysis of financial position and performance of all Asset Loan Group companies
- instructing and liaising with valuers
- establishment of Administrators' banking facilities
- review of the solvency of Asset Loan Group including analysis of aged creditor listings, creditor invoices, bank statements, MYOB accounting software files and enquiries with key administrative and finance personnel
- liaising with tenants and body corporate of ALI owned commercial space at Huntington Apartments
- review of the 2007 and 2008 income tax returns
- review of recent business activity statements for all Asset Loan Group companies which have been lodged with the Australian Taxation Office (ATO)
- detailed review of the ALC loan book, and liaising with relevant lawyers and borrowers
- dealing with enquiries from parties who had placed presale deposits on ALI-related property developments
- dealing with creditor enquiries
- dealing with noteholder enquiries
- dealing with shareholder enquiries.

Statutory matters attended to include:

- convening and holding the first meeting of creditors
- convening and holding two meetings of the Committees
- preparation and lodgement of relevant notices with ASIC and the ASX
- notifying statutory authorities of our appointment
- applying to the Court for and obtaining an extension of the convening period, and preparing an affidavit to support the extension
- conducting investigations into the affairs of all Asset Loan Group companies
- convening second meeting of creditors
- preparation of report to creditors.

6.4 Sale of business process

Shortly after our appointment we advertised the assets of Asset Loan Group for sale on the following dates:

Publication	Section	Date
The Australian Financial Review	Business opportunities	Thursday 18 September 2008
The Australian	Business opportunities	Saturday 20 September 2008

We offered all assets of Asset Loan Group for sale, specifically:

- the ALC loan book secured against real property
- completed and partially completed residential, tourism and commercial properties which included an interest in the:
 - Bowen Marina
 - SEA Apartments development in Hervey Bay
 - Days Inn development in Hervey Bay
 - Dunns Creek properties
 - Huntington Apartments head office premises, including office equipment
- listed company shell (to be recapitalised).

We received in excess of 54 expressions of interest from parties. We asked all interested parties to execute a Confidentiality Agreement prior to receiving an Information Memorandum.

Of these interested parties, 34 were forwarded the Information Memorandum which was released on Monday 29 September 2008.

The timetable for submission of offers is detailed below:

Event	Date
Submission of non-binding indicative offers	8 October 2008
Short list parties and host due diligence	10 October 2008
Submission of final binding offers	24 October 2008
Documentation/completion	7 November 2008

On receipt of non-binding indicative offers, five interested parties were short listed and proceeded to undertake due diligence.

As a result of the sale process, ALC is in principle entering into an agreement with an interested party in relation to its interest in the Bowen Marina, and we are continuing to liaise with a party for the listed shell.

As creditors of ALL are aware, we have recommended ALL enter into a DOCA so we can continue to market the shell for sale. If ALL enters into liquidation the shell cannot be sold and holds no value.

The directors have not submitted a DOCA proposal involving the sale of Asset Loan Group assets.

7 Administrators' trading performance and receipts and payments

7.1 Business trading

Upon our appointment as Administrators, we ceased trading all Asset Loan Group companies.

7.2 Administrators' receipts and payments

The table below provides a summary of all receipts and payments made by the Administrators for the period 9 September to 14 November 2008. We reiterate that the summary below does not include expenses incurred but not paid to date.

Transactions	ALL	ALC	ALI	Gallipoli	Miriwinni	ALD	ALRL	IBL	Asser Life	Cal Dev	HBMM	Laidley
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Receipts												
Rental income	-	-	19,992	-	-	-	-	-	-	-	-	-
Settlement income	-	10,540	-	-	-	-	-	-	-	-	-	-
Other receipts	-	48	398	-	-	-	-	-	-	-	-	-
	-	10,588	20,390	-	-	-	-	-	-	-	-	-
Payments												
Employee wages	-	(1,985)	-	-	-	-	-	-	-	-	-	-
Cleaner's costs	-	(1,360)	-	-	-	-	-	-	-	-	-	-
Trade creditors	-	(918)	-	-	-	-	-	-	-	-	-	-
Bank fees/charges	(11)	(28)	(24)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Other payments	-	(1,547)	-	-	-	-	-	-	-	-	-	-
	(11)	(5,837)	(24)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)
Closing balance	(11)	4,751	20,366	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)	(11)

8 Report as to affairs

Under section 438B of the Act, the directors are required to provide a Report as to Affairs (**RATA**) for each Asset Loan Group company as at Appointment Date within seven days of receipt of our request. The request for RATAs were sent to the directors on 10 September 2008.

The directors requested an extension of time for the submission of their RATAs pursuant to section 438B(2) of the Act totalling 14 days to 24 September 2008. We granted this request for an extension and all RATAs were submitted by the directors either on or before 24 September 2008.

The RATAs for each Asset Loan Group company, together with the respective accompanying schedules may be inspected by visiting our website, www.deloitte.com.au, and following the Asset Loan Group links.

The RATAs represent a snapshot of the asset and liability position of the Asset Loan Group companies on a going concern and forced asset realisation basis, **as prepared by the directors**.

We have also commissioned and received independent valuations for some of the assets in Asset Loan Group.

RATAs for the Asset Loan Group companies which held property, or were trading as at the date of our appointment are summarised below. RATAs relating to all other companies in the Asset Loan Group are included in Appendix E of this report. The directors recorded the same/similar values for all line items in their RATAs. In many instances the amounts recorded by the directors did not appear to sum correctly; we sought clarification from directors as required.

8.1 RATA summary

RATA summary \$'000	ERV ALL	ERV ALC	ERV ALI	ERV Gallipoli	ERV Miriwinni	ERV Other	ERV Consol
Assets							
Interest in land	-	-	14,750	950	5,100	-	20,800
Sundry debtors	15,908	12,994	60	-	-	17	28,979
Cash on hand	-	-	-	-	-	-	-
Cash at bank	4	-	8	-	1	13	25
Stock on hand	-	-	-	-	-	-	-
Plant & equipment	-	60	45	-	-	-	105
Other assets	-	14,050	649	-	50	52	14,801
Sub total	15,912	27,104	15,511	950	5,151	82	64,710
Assets subject to specific charges	11,937	-	14,750	950	4,500	-	32,137
Less: Amounts owing under charges	(11,937)	-	(11,348)	(717)	(3,643)	-	(27,646)
Total assets	3,974	27,104	4,162	234	1,507	82	37,063
Liabilities							
Less: Amounts owing for tax	-	(30)	-	-	-	-	(30)
Less: Employee entitlements	-	(287)	-	-	-	-	(287)
Less: Amounts owing under floating charges	-	(15,893)	-	-	-	-	(15,893)
Less: Preferential claims	-	-	-	-	-	-	-
Partly secured creditors	-	-	-	-	-	-	-
Total claims	-	(16,209)	-	-	-	-	(16,209)
Available to unsecured creditors	3,974	10,895	4,162	234	1,507	82	20,854
Unsecured creditors	(12)	(18,519)	(192)	(9)	-	(586)	(19,318)
Contingent assets	-	8,600	-	-	-	-	8,600
Contingent liabilities	-	-	-	-	-	-	-
Surplus/(shortfall)	3,962	976	3,970	225	1,507	(504)	10,136

8.2 RATA commentary

We believe the estimated realisable values (ERV) assigned by the directors to most assets in Asset Loan Group are overstated given the current market conditions.

Due to the ongoing sale process of Asset Loan Group assets, we have not disclosed our valuations in the commentary below. We believe releasing this sensitive information at this time may jeopardise the realisations from these asset sales.

A summary of the significant assets and liabilities contained in the RATAs are outlined below.

Interests in land

The directors have assigned the following ERVs to ALI properties:

- Huntington Apartments - \$5.0m
- Days Inn property - \$4.0m
- SEA Apartment development - \$5.0m
- Dunns Creek property - \$750k.

The director of Gallipoli has assigned an ERV of \$950k to the Port Kembla property.

The directors of Miriwinni have assigned an ERV of \$5.1m to the property.

The valuations we commissioned for some of the above properties collectively resulted in significantly lower ERVs than those estimated by the directors.

Sundry debtors

The directors have included \$15.9m of ALC intercompany debt in ALL's RATA. This loan was advanced from ALL to ALC to fund ALC's loan book activities. Our preliminary view is that any monies recovered from this debtor will not be available to unsecured creditors as the PTQ holds a fixed and floating charge over ALC, and will be entitled to receive any funds held by ALC in priority to other creditors.

The directors have assigned an ERV of \$13.0m to the ALC loan book. Due to the large number of bad debts in this loan book, and the lower ranking security positions held by ALC over a large portion of these loans, our preliminary view is that the recoverability will be minimal.

Plant and equipment

The directors have valued ALC's plant and equipment (mainly office and computer hardware) at \$60k. Our valuation suggests a lower price under a going concern scenario, and a significantly lower price under an auction scenario, will be achievable.

Other assets

ALC directors recorded the following assets as other assets in their RATAs:

- intercompany loans - \$7.0m
- profit share in the Bowen Marina - \$6.5m
- profit share in the LAPD Constructions Pty Ltd (Receivers and Managers Appointed) (**LAPD**) Gattton project - \$600k. LAPD is a debtor of ALC.

The directors did not provide a breakdown of this intercompany debtor position (\$7m), however we believe it is approximately comprised of the following debtors:

ALC intercompany debtors	Security position of ALC	Ranking	10 Sep 2008 Mgmt accounts
Miriwinni	Real property mortgage	2nd	1,318,285
Cal Dev	None	-	135,481
Gallipoli	Real property mortgage	2nd	431,403
ALI - Days Inn	Real property mortgage	2nd	2,955,000
ALI - Dunns Creek	Real property mortgage	2nd	1,379,029
ALI - SEA Apartments	Real property mortgage	3rd	1,805,441
Total			8,024,639

We believe the recoverability of the above intercompany loans will be minimal.

We do not anticipate any equity will be available for ALC after the LAPD project is sold. We understand the first mortgagee has entered into possession and is realising the development, and is likely to suffer a shortfall.

Given our recent negotiations with an interested party after having marketed the Bowen Marina project, we do not believe \$6.5m is an achievable sale price for the Bowen Marina.

The directors of ALI have included \$643k of intercompany debt in their RATAs (the directors have not disclosed which companies the debt relates to). We do not believe any of this amount will be recovered.

Contingent assets

The directors have included the following contingent assets in their ALC RATAs:

- profit share in the Bowen Marina - \$6.0m
- profit share in the LAPD project - \$600k
- profit in the SEA Apartment project - \$2m.

As the directors have already included the Bowen Marina and LAPD project in their ALC RATA under the other assets section, we have excluded them from further analysis. With respect to SEA Apartments, the development is not continuing and it is likely the secured creditors will suffer a significant shortfall.

For further discussion on the recoverability of Asset Loan Group assets, please refer to section 11 of this report.

9 Administrators' investigations

Section 438A(a) of the Act provides that as soon as practicable after an administration begins the Administrators must investigate the company's business, property, affairs and financial circumstances.

The purpose of the investigation is to determine whether there are transactions where money, property or other benefits could be recoverable by a liquidator (should creditors resolve to place Asset Loan Group companies in liquidation) which would result in a greater dividend to creditors than entering into a DOCA. Recovery action is only available to a liquidator. To decide whether creditors are better served by liquidation, an estimate of the amounts that could be recovered must be made so an informed comparison can be made between a DOCA proposal and liquidation. We have undertaken preliminary investigations into transactions that could be recovered by a liquidator if appointed.

The transactions investigated are known as "insolvent transactions" and include the following which are discussed in more detail below:

- insolvent trading (Section 588G)
- unfair preferences (Section 588FA)
- uncommercial transactions (Section 588FB)
- unfair loans to a company (Section 588FD)
- damages for breach of director's duties (Section 184)
- unreasonable director-related transactions (Section 588FDA)
- agreements to avoid employee entitlements (Section 596AB)
- transactions with the purpose of defeating creditors (Section 588FE(5))
- floating charge created within 6 months (Section 588FJ).

It is important to note that such transactions are only voidable if they are considered insolvent transactions of the company. In order for a liquidator to recover any amount it would first be necessary to establish that the company was in fact insolvent at the time of the transaction.

Generally such actions are expensive and are likely to require Court applications. As such, should there be inadequate funds available, or the liquidators consider it uncommercial or not in the creditors' best interests, such recovery actions may not be commenced by the liquidators.

In these circumstances, creditors wishing to fund any such actions may do so. Should any funds be recovered from these actions, the creditors providing the funding may be entitled to receive their contribution in priority to other creditors.

Litigation funding may also be available to fund these actions. However, such funding is generally only available where legal advice indicates that there is a strong potential for success.

9.1 Insolvent trading (section 588G)

A director may be personally liable to the company under the Act if the director fails to prevent a company from incurring a debt when, at the time of incurring that debt, the company is insolvent, or becomes insolvent by incurring that debt. A company is insolvent when it cannot pay its debts as and when they fall due.

A liquidator must prove the insolvent trading claim against each director individually. In the event that a liquidator does not pursue the directors, creditors are able to pursue the directors for a claim for insolvent trading. Claims for insolvent trading are often difficult to prove and directors have a number of defences available to them pursuant to section 588H of the Act, as follows:

- that when the debt was incurred, the director had reasonable grounds to suspect that the company was solvent and would remain solvent even if the debt was incurred
- that when the debt was incurred, the director had reasonable grounds to believe, and did believe, that a subordinate was competent and responsible for providing adequate information about the company's solvency and the directors expected, on the basis of the information, that the company was solvent or would remain solvent
- that when the debt was incurred, the director, because of illness or for some other good reason, did not take part in the management of the company at that time
- that the director took all reasonable steps to stop the company from incurring the debt.

It is important to note that these defences are not defences against insolvent trading itself, but are defences the directors have against personal liability for insolvent trading.

To be successful in pursuing a claim against a director for insolvent trading the liquidator must prove that the company was insolvent at the relevant date. The basic tests of insolvency relate to both the net asset position of the company (the balance sheet test) and whether the company can pay its debts as and when they fall due (the cash flow test). The assessment of a company's solvency is complex and comes down to a question of fact in the circumstances which requires detailed examination.

Our investigations are preliminary. A liquidator would investigate further the possibility of taking action against the directors of Asset Loan Group for breaches of their duties to prevent insolvent trading. If it is established that a director has breached his duties to prevent Asset Loan Group from incurring debts whilst Asset Loan Group was insolvent, a liquidator could recover from those directors an amount equal to the loss that has been suffered by the creditors whose debts remain unpaid.

If a liquidator chooses to pursue an insolvent trading action, creditors are prevented from taking their own action against the director(s) for compensation. If a liquidator does not choose to take any action in this regard, a creditor may commence proceedings on its own behalf but only with the consent of the liquidator or the Court.

A summary of the aged creditor balances (excluding accruals) for all Asset Loan Group companies at Appointment Date is provided below. Only a small number of creditors have payments overdue by 30 days or more; most are creditors of ALI and are property-related transactions (ie real estate agent fees and rates). Management advised these payments were often withheld at the request of the Property Development Manager, Brendan Bourke, until all outstanding issues had been resolved. It would be difficult for a liquidator to prove that these debts remained unpaid because of Asset Loan Group's inability to meet these obligations as and when they fell due.

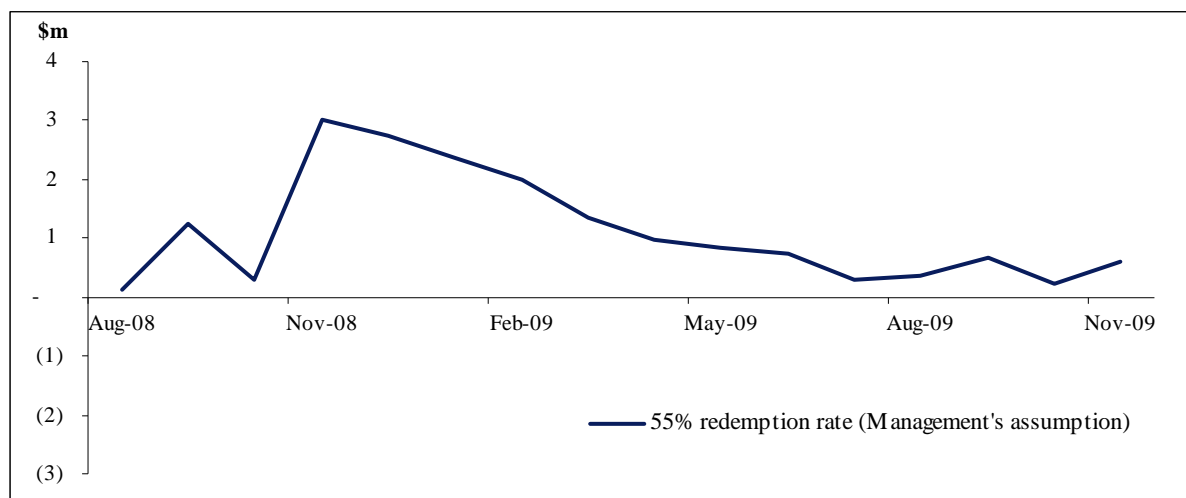
Company	Total due at 9 Sep 08 \$'000	0 - 30 days \$'000	31 - 60 days \$'000	61 - 90 days \$'000	90+ days \$'000
ALC	22	17	-	5	-
ALI	186	118	14	3	50
ALL	1	1	-	-	-
Miriwinni	2	2	-	-	-
Gallipoli	1	1	-	-	-
Asset Life	13	11	-	1	1
ALRL	-	-	-	-	-
IBL	-	-	-	-	-
ALD	-	-	-	-	-
Cal Dev	-	-	-	-	-
Laidley	-	-	-	-	-
HBMM	-	-	-	-	-
Total	225	150	14	9	51

In addition to assessing the aged creditor balances, our preliminary investigations revealed the following:

- there were no recovery actions commenced by any creditor against any Asset Loan Group company
- noteholders redemptions had been paid on time (excluding the redemption requests identified in section 9.7 of this report)
- the ATO had not issued any director penalty notices pursuant to Section 222 AOE of the Income Tax Assessment Act
- Asset Loan Group had a negative net asset position at FY2008 (management accounts) due to the revaluation of key assets around late August 2008, however had positive net operating cash flow at FY2007 (audited) and FY2008
- On 31 July 2008 the directors of Asset Loan Group executed a declaration of solvency
- Management maintained monthly cash flow projections used to monitor future cash flow requirements. It became apparent that the short term cash flow solvency of Asset Loan Group (in particular the ability to repay noteholders) was contingent upon the sale of the Bowen Marina, the specific loan recoveries or access to additional third party funding. The graph below is based on Management's cash flow projections for the trust account used to pay noteholder redemptions and interest payments. On 31 July 2008 Asset Loan Group and the PTQ entered into an agreement that required Asset Loan Group to place 75% of the net proceeds from the Bowen Marina and 55% of net proceeds of any asset sale or loan recovery in trust for the benefit of noteholders.

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Asset Loan Group – Noteholder redemption trust account



Due to delays in loan recoveries and the Bowen Marina sale, the directors attempted to obtain a \$2m working capital facility with BSI Services Pty Ltd (**BSI**) in September 2008. However the facility was not finalised and following conversations between the directors and the PTQ on 8 September 2008, Asset Loan Group was placed into voluntary administration on 9 September 2008 by resolution of its directors.

The Asset Loan Group directors formed the view that without the BSI working capital facility, or immediate cash payments relating to settlements of the Bowen Marina or loan recoveries, Asset Loan Group was insolvent, or likely to become insolvent and resolved to appoint us as Administrators.

Based on the above preliminary investigations we are of the opinion that the directors have not traded any Asset Loan Group company whilst insolvent.

9.2 Holding company liability

Section 588V of the Act states that a holding company is liable for the debts of its subsidiary where the subsidiary is insolvent, and:

- the holding company and one or more of its directors were aware it was insolvent; or
- it is reasonable to expect the holding company or its directors would have been aware that the subsidiary was insolvent.

As all Asset Loan Group companies were simultaneously placed into administration with the holding company (ALL), it is highly unlikely that a liquidator would commence a recovery action against ALL. In addition, ALL does not hold any material assets except the loan to ALC which is secured by a charge in favour of the PTQ.

9.3 Unfair preference payments (Section 588FA)

An unfair preference is a transaction, generally occurring in the six months prior to the commencement of winding up (this date is deemed by the Act to be the date of the appointment of the Administrators) to which the company and a creditor were parties. The transaction results in that creditor receiving more for its debt than it would if the transaction were set aside and that creditor had to prove for the full amount of their debt in the winding up of the company like all other creditors. If a receipt is proven to be an unfair preference, the creditor must return the benefit they received to the liquidator and it is then available for the benefit of all creditors.

In order to prove a creditor received an unfair preference payment, the liquidator must demonstrate that the company was insolvent at the time the creditor received the payment or benefit. The creditor has a defence to a claim by a liquidator that a transaction is an unfair preference if, at the time the benefit was received the creditor had no reasonable grounds for suspecting that the company was insolvent or would become insolvent through entering into the transaction and valuable consideration was given.

Our investigations of all Asset Loan Group companies' books and records have not revealed any transactions undertaken in the last six months which appear preferential.

In the event of liquidation, a liquidator will need to prove that creditors knew or should have known that the company was insolvent at the time the payments were made. There would need to be significant investigative work undertaken to establish whether:

- the company was insolvent at the time the transaction occurred
- the party that received the preference was aware that the company was insolvent or likely to become insolvent at that time
- the recipient has sufficient assets to settle any successful claims
- the cost of undertaking the action is greater than the possible return
- there are sufficient funds available (subject to the approval of creditors) to undertake any proposed preference recovery action.

9.4 Unfair loans (Section 588FD)

A loan is unfair if it is made to a company at an extortionate rate of interest or charges and may be set aside by a subsequently appointed liquidator.

Asset Loan Group received external funding from financiers, mainly major Australian banks. We reviewed these agreements to determine whether Asset Loan Group was subjected to extortionate rates of interest. Several unsecured loans were advanced from private investors; the annual interest rates attached to these loans were generally higher (up to 18% per annum) than those provided from the major banks. This appeared reasonable given the loans were unsecured.

Several director-related loans were advanced from Mr Hare and Mr Percival's related-party trusts and companies to ALL around January 2004. These loans totalled \$2.9m, with interest rates ranging from 10% to 15% per annum. All of these loan facilities have since been repaid.

Our investigations of the company books and records revealed that Asset Loan Group has not made or received any loans from or to any parties which committed either company to extortionate terms.

9.5 Uncommercial transactions (Section 588FE)

A transaction of a company is an uncommercial transaction if the following elements are established by a liquidator:

- the transaction was entered into or given effect to within two years of the commencement of the winding up of the company (that is, the date of appointment of the Administrators)
- at the time the transaction was entered into, or when given effect to, the company was insolvent or became insolvent as a result of the transaction

- a reasonable person in the company's circumstances would not have entered into the transaction having regard to the benefits and detriments to the company of entering into the transaction and the respective benefits to other parties.

The defences available to a party involved in an uncommercial transaction claim are, in effect, the same as those for an unfair preference.

Our review of company records to expose evidence of uncommercial transactions entered into by Asset Loan Group has not identified any transactions which would constitute an uncommercial transaction.

9.6 Discharging a debt of a related entity (Section 588FH)

ALC provided a borrower with two advances pursuant to loan agreements dated 22 October 2005 and 9 March 2006. At a later date the borrower sought additional funding from an unrelated lender. ALC was to benefit from the advance to the borrower in that the borrower would use the funds to pay ALC loan monies and interest. However, ALI provided the lender with a guarantee secured by a fixed and floating charge over all the assets and undertaking of ALI in respect to all amounts owing by the borrower to the lender. In addition, ALI provided a second mortgage over a property held by it.

A release of ALC's mortgage over the borrower's properties was lodged on 14 October 2008. It is unclear why these releases were given by ALC. A director of the borrower was also an employee of ALC.

There is a concern that there was no 'corporate benefit' in ALI providing the unrelated lender a guarantee and the fixed and floating charge over ALI in respect to all amounts owing by the borrower to the unrelated lender. Corporate benefit refers to the duty of directors to act in good faith in the interests of the company. A liquidator would investigate these agreements further.

For commercial reasons we cannot yet disclose the identities of the parties involved.

9.7 Damages for breach of director's duties (Section 184)

From our investigations to date we have not found that Mr Percival (Director of many Asset Loan Group companies) or the Hon. Robert Borbidge (Chairman, Non-executive Director of ALL) have acted dishonestly and/or fraudulently in the exercise of their powers and discharge of their duties. To date, there has been no evidence that either of these directors have used his powers other than in Asset Loan Group's interest.

We found that Mr Hare (Director of many Asset Loan Group companies) potentially breached his duties. Our investigations found that Mr Hare 'cashed in' approximately \$21k of his annual leave entitlement (after tax) on 21 May 2008. In the normal course of employment, annual leave is only paid-out on resignation or termination. Mr Hare did not have any clauses in his employment contract to the contrary.

We also found that Mr Hare cashed in approximately \$11k of accrued time in lieu (after tax) around 25 January 2008. Mr Hare did not have any clauses in his employment contract which allowed him to accrue time in lieu, nor 'cash-in' time in lieu.

We advised Mr Hare that these transactions were possibly in breach of his director duties and we requested he repay the full amount to ALC immediately. As at the date of this report we had not received any payment from Mr Hare, nor notification of his intentions to do so.

Accordingly, we intend to issue demands against Mr Hare and will consider reporting this potential breach to ASIC.

ASX continuous disclosure requirements

ASX Listing Rule 3.1 requires listed entities to make continuous disclosure of material information. Any information which may affect security prices or influence investor decisions must be disclosed in a timely manner. We have reviewed the disclosures made to the ASX for the period January 2008 to Appointment Date, and have not identified any material transactions which the directors failed to disclose.

Noteholder redemptions

We received a number of compliants from noteholders who claimed their note redemption requests were denied or ignored. Noteholder redemptions fall into two categories:

- premature redemptions – the prospectuses both state that early redemption is at the discretion of ALL
- scheduled redemptions at maturity – the prospectuses both state that unless a noteholder notified ALL in writing at least 30 days before the maturity date, the unsecured notes would automatically be renewed for a term identical to the initial term.

In several instances, noteholders sent the Administrators details of correspondence they had previously had with Management concerning the redemption of their unsecured notes. Our preliminary investigations found that one of these redemption requests (valued at approximately \$10k) was not honoured in accordance with certain terms of the prospectuses.

Further investigations would be required by a liquidator to determine whether the directors breached their duties to noteholders.

Should any noteholders have concerns about their redemption request they should submit full particulars of their correspondence to the Administrators.

Acquisition of properties through foreclosure

Management indicated that the following properties were acquired through foreclosures on defaulted ALC loans.

ALC loan book debtor	Property	Held by
Peach Bush Pty Ltd	Laidley property (Laidley)	ALI (sold pre-administration)
Phillip John Murray	Suvlu Street (Port Kembla)	Gallipoli
Serp Pty Ltd	Healy Road (Miriwinni)	Miriwinni
MK Calamvale Pty Ltd	Benhiam Street (Calamvale)	Cal Dev (sold pre-administration)
MK Mahogany Pty Ltd	Dunns Creek Road (Dunns Creek)	ALI
Global Capital Industries Pty Ltd	Pulgal Street (Days Inn)	ALI

We have reviewed the circumstances surrounding the acquisition of these properties and any subsequent legal proceedings. If borrowers have any complaints they should submit full particulars of their correspondence to the Administrators.

Laidley

Peach Bush Pty Ltd (**Peach**) claim that the Laidley property was wrongfully seized. No detailed particulars have been provided to the Administrators. Further investigations would be required by a liquidator to determine if any breaches of directors duties had occurred. However, it is unlikely that such breaches would result in any improved recoveries for creditors in the event a liquidator were appointed.

Claimant A litigation

As notified to shareholders at the 2007 Annual General Meeting, Asset Loan Group had been involved in a long running legal dispute with Claimant A. Claimant A was a former borrower from ALC who defaulted on his loan commitments. ALC took steps to recover this money from Claimant A. The claimant disputed this claim and the matter was taken to Court. Management claim that comments in the media concerning the conduct of the directors adversely affected Asset Loan Group, in particular the ALL share price.

Further investigations would be required by a liquidator to determine if any breaches of directors duties had occurred. However, it is unlikely that such breaches would result in any improved recoveries for creditors in the event a liquidator were appointed.

Dunns Creek

Dolroy Pty Ltd (**Dolroy**) was a prior owner of the Dunns Creek property. We understand this property has since been subdivided. When Dolroy defaulted on its loan commitments, ALC enforced its charge and appointed a Receiver, Hall Chadwick to sell the property. The Receiver sold the property on 21 January 2008, and ALC terminated the appointment of the Receiver on 17 April 2008.

ALC later sold the property to MK Mahogany Pty Ltd. Dolroy claim these properties were illegally seized and sold below valuation. Again only limited information has been provided by Dolroy regarding the claim. Further investigations would be required by the liquidator.

Further investigations would be required by a liquidator to determine if any breaches of directors duties had occurred. However, it is unlikely that such breaches would result in any improved recoveries for creditors in the event a liquidator were appointed.

ALC intercompany debtors

ALI, Gallipoli, Miriwinni and Cal Dev acquired foreclosed ALC loan book properties from ALC. We have reviewed the circumstances around these transactions and our preliminary view is that the relevant properties appear to have been acquired at market value. A liquidator would investigate this further.

Interest rates applicable to ALC loan book borrowers

ALC's main business function was the provision of short term financing to businesses that could not source funds from mainstream banks or institutional financiers. We reviewed the interest rates applicable to borrowers in ALC's loan book at Appointment Date and found that:

- all current loans are subject to both a regular interest rate charged on the principal amount of the loan, and a higher default rate charged on the cumulative balance. This default rate could be applied when the loan was in default
- interest rates applicable to each loan were determined based on the strength of the security provided, and the amount and term of the loan
- the highest interest rates contracted were 12% per annum for the regular interest rate, and 21% per annum for the default interest rate.

9.8 Unreasonable director-related transactions (Section 588FDA)

A transaction of a company is an unreasonable director related transaction of a company if, and only if, the transaction is a payment, conveyance, transfer or other disposition by the company of property to a director or a close associate of a director. Further, it may be expected that a reasonable person in the company's circumstances would not have entered into the transaction having regard to the benefits (if any) and detriment to the company of entering into the transaction.

We have identified Mr Hare's annual leave payment in section 9.7 of this report as a possible unreasonable director-related transaction.

9.9 Agreements to avoid employee entitlements (Section 596AB)

Pursuant to Section 596AB of the Act, a person must not enter into a relevant agreement or a transaction with the intention of, or with intentions that include the intention of, preventing the recovery of entitlements of employees of the company or significantly reducing the amount of the entitlements of employees of a company that can be recovered.

We have not identified any transactions of this nature.

9.10 Transactions with the purpose of defeating creditors (Section 588FE(5))

We have conducted a review of the transactions of Asset Loan Group for the six months prior to our appointment to identify any transactions that may have been entered into with the purpose of defeating creditors.

We have not identified any transactions undertaken for the purposes of defeating creditors that would be recoverable by a liquidator.

9.11 Floating charge created within six months (Section 588FJ)

A search of Asset Loan Group's register of charges required to be notified to ASIC reveals that no floating charges have been created over Asset Loan Group's assets in the six months prior to our appointment.

9.12 Maintenance of proper books and records

Section 588E(4) of the Act provides that where the books and records of a company fail to meet the obligations outlined in Section 286 of the Act to keep proper books and records, that company is presumed to be insolvent for the period it failed to meet the requirements. We have reviewed the books and records of Asset Loan Group and have relied on these throughout the administration.

In our opinion the books and records of Asset Loan Group have been maintained in accordance with the requirements of Section 286 of the Act.

Accordingly, we do not believe the presumption of insolvency afforded to a liquidator under Section 588E(4) of the Act would be available if Asset Loan Group were liquidated.

9.13 Creditor information

Should any creditor have any concerns about the affairs of Asset Loan Group and/or its directors, please submit full particulars, in writing, to the Administrators.

10 Liquidation scenarios

Should the creditors resolve at the second meeting of creditors that Asset Loan Group companies be wound up, we, as Administrators, will in the absence of other nominations, automatically become liquidators of these Asset Loan Group companies pursuant to Section 446A of the Act. Pursuant to

Section 513C of the Act, the winding up will be deemed to have commenced as at the date of our appointment as Administrators, being 9 September 2008.

As Liquidators of Asset Loan Group our primary duties would be to:

- realise the assets Asset Loan Group
- investigate the affairs of Asset Loan Group and its directors
- instigate any appropriate legal action to recover transactions that may only be recoverable by a liquidator, as discussed in section 9 of this report
- distribute any surplus funds to creditors in accordance with the priorities set out in the Act.

11 Estimated return from a winding up

We have prepared an analysis of the likely realisation under liquidation on two bases - optimistic and pessimistic. In the interests of maximising value for creditors we have not provided full particulars of some asset values for the reasons previously outlined in this report.

11.1 Optimistic

These values have been included on the basis that there is potential for an increased recovery or realisation above that of a pessimistic position for specific assets. Where there are two estimates of the value of an asset, the higher value has been included in the optimistic calculations. Achieving these values is subject to a number of factors that would arise during the realisation process. This includes various market forces affecting the value of each asset, including the interest in each asset, the general economic status at the time of sale and any legal or commercial impediments.

These costs have not incorporated estimated costs of realisation.

11.2 Pessimistic

The values included in this calculation are considered the lower possible values recoverable from the specific assets of the company. These amounts have been calculated by either discounting for a reduced return or where two values were provided for an asset, the lower value was included.

Again, the realisations will be subject to costs and also fluctuations in various other factors outlined in the previous section.

Both optimistic and pessimistic scenarios involve:

- closure of Asset Loan Group
- sale of the Asset Loan Group assets by the liquidator in a distressed realisations scenario
- recovery of preferences (if any) for the benefit of all creditors
- no value being realised for the business brand name
- costs involved in undertaking the sale of the Asset Loan Group assets including the Administrators' and Liquidators' fees.

11.3 Employee entitlements

Should there be inadequate funds in the ALC liquidation for the payment of employee entitlements, employees may be entitled to apply to the Federally funded General Employee Entitlements and Redundancy Scheme (**GEERS**).

GEERS may cover successful applicants for outstanding wages, annual leave and termination notice. However, GEERS does not cover outstanding superannuation entitlements, nor excluded employees, including the directors of Asset Loan Group. The Liquidators would assist employees in applying to GEERS.

11.4 Estimated returns

In some instances valuations have been provided by Colliers International Consultancy and Valuation Pty Ltd and Grays Asset Services regarding the Asset Loan Group's properties, plant and equipment. All valuations were completed under the instructions of the Administrators. The sale process and the feedback received throughout also provided input for our assumptions in preparing this analysis.

The valuer's reports provided assessment of the worth of the assets of the Asset Loan Group companies on a going concern and a forced sale or auction basis. Forced sale or auction basis are interchangeable terms.

The following estimated statements of position (**ESOP**) summaries provide a comparison of the realisations probable under optimistic and pessimistic liquidation scenarios. Detailed ESOPs are included in Appendix F of this report. We have only analysed those Asset Loan Group companies which held property or assets and were trading at Appointment Date.

Liquidation - Optimistic	ALL	ALC	ALI	Gallipoli	Miriwinni
<i>Estimated cents in the dollar</i>					
PTQ (noteholders)	0	42	~	~	~
Secured creditors (excluding intercompany)	~	~	*	100	100
Employee entitlements	~	100	~	~	~
Unsecured creditors	0	0	0	0	0
Intercompany creditors	0	0	~	0	0

Liquidation - Pessimistic	ALL	ALC	ALI	Gallipoli	Miriwinni
<i>Estimated cents in the dollar</i>					
PTQ (noteholders)	0	34	~	~	~
Secured creditors (excluding intercompany)	~	~	*	85	100
Employee entitlements	~	100	~	~	~
Unsecured creditors	0	0	0	0	0
Intercompany creditors	0	0	~	0	0

~ No creditors in this creditor class

* Please refer to Appendix F of this report for a detailed breakdown of each secured creditor's estimated position in ALI

The above analysis assumes all creditors recorded at book value in the 10 September 2008 management accounts are proved and accepted by the liquidators. The dividends (cents per dollar) are not dependent on insolvent transaction recoveries.

The values included in the ESOP summaries above are on a forced sale basis.

Any dividends payable to creditors will be determined by the

- recoverability of ALC's loan book
- sale of ALC's interest in the Bowen Marina
- realisation of the ALL shell

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- recoverability of ALC's real property mortgages.

We estimate it would take six to 12 months from the date of the appointment of liquidators for a dividend (if any) to be paid to the various creditor classes.

According to the company books and records and conversations with Management, no other Asset Loan Group companies had third party creditors or have creditors who are likely to lodge proof of debt claims. Most of the transactions in these non-trading companies are intercompany related and these companies have no material assets. **As such, we estimate there will be no return for the creditors of the following Asset Loan Group companies:**

- ALD
- ALRL
- Laidley
- IBL
- HBMM
- Asset Life
- Cal Dev.

11.5 Significant assets and liabilities

Below is a summary of significant assets and liabilities which materially may impact the return to creditors.

ALL

We estimate the ALC unsecured intercompany debt (\$16.0m) will not be recoverable as all companies in Asset Loan Group are in administration. Further the PTQ has a fixed and floating charge over ALC for the debt of approximately \$12m, and will need to be repaid before any distribution to ALC unsecured creditors, namely ALL.

We believe the main asset in ALL which will contain value for creditors is the listed ALL company shell. Any proceeds received from the sale of this asset will be applied to all creditors. Noteholders (through the PTQ's fixed and floating charge) will receive the same return as unsecured creditors.

ALC

ALC's significant assets are the interest in the Bowen Marina and the loan book. Any sale proceeds received from the sale of the Bowen Marina will be applied to the PTQ's debt. At book value ALC's loan book is a significant asset (\$13.0m), however due to the large number of bad debts, and the weak security positions held by ALC over a large portion of these loans, we estimate that the recoverability will be minimal under both optimistic and pessimistic scenarios. As such it is unlikely that ALC unsecured creditors will receive any return.

ALC advanced \$8m in various loans to other Asset Loan Group companies secured by second and third ranking real property mortgages. Please refer to section 8.2 of this report for further details of these loans.

ALI

There a number of significant real property assets in ALI which are subject to real property mortgages. We estimate that most secured creditors will receive a return (with the exception of ALC which is the lowest ranking mortgagee on most of these properties). However asset realisations will likely not be great enough to ensure a return for any unsecured creditors of ALI.

Miriwinni and Gallipoli

Both Miriwinni and Gallipoli have real property assets which we estimate will provide returns to the secured creditors (with the exception of ALC which is the lowest ranking chargeholder on both of

these properties). However asset realisations will likely not be great enough to ensure a return for any unsecured creditors.

11.6 Overall realisations in liquidation scenarios

The optimistic and pessimistic scenarios estimate no return for unsecured creditors of any Asset Loan Group company.

The return to secured creditors involves the realisation of all the fixed and floating assets of the Asset Loan Group company over which they possess fixed and floating charges, and are first ranking against the realisations from the sale of those except in the case of ALC floating charge assets which are available for the payment of employee entitlements pursuant to their priority under section 556 of the Act.

Prior to the payment of the secured creditors and priority creditors, all of the costs of the administration and the subsequent liquidation of the companies will be deducted.

In conclusion there is likely to be no return for unsecured creditors of all Asset Loan Group companies. Second and third ranking chargeholders of ALI are likely to receive shortfalls with the magnitude of the shortfall dependant on what properties they hold security over. ALC is the lowest ranking chargeholder on most of ALI's properties and we anticipate ALC will incur substantial losses on its debt.

We estimate the first ranking chargeholder of Gallipoli will recover most of the debt owing. Again ALC is the second and lowest ranking chargeholder of Gallipoli and we anticipate will incur additional losses on its debt.

We estimate that Miriwinni's secured lenders may recover most of the debts owing if the property is realised at book value.

Unsecured noteholders of ALL (through the PTQ's fixed and floating charge) will likely incur material losses under liquidation scenarios which will be dependant upon the:

- recoverability of ALC's loan book
- sale of ALC's interest in the Bowen Marina
- realisation of the ALL shell
- recoverability of ALC's real property mortgages
- the costs of the administration/liquidation.

12 Proposed DOCA and comparison to liquidation

As previously outlined, no DOCA has been put forward for the Asset Loan Group. However in order to maximise the return to creditors of ALL, we propose that ALL enter into a DOCA which will allow the listed company, ALL, to have the opportunity to recapitalise and relist. We are of the opinion that ALL has some value as it is listed on the ASX.

The key elements of the proposal are as follows:

- the Deed Administrators are to seek proposals for the recapitalisation of the listed entity, ALL
- before acceptance of any Proposal, it is likely that the Deed Administrators would reconvene a meeting of the Committee (or of creditors if no Committee is formed) to table any mechanism by which to facilitate any proposal for recapitalisation by either a revised or

Amended DOCA and Creditor's Trust Deed which would likely establish a deed fund containing:

- an initial cash contribution of \$1
- the proceeds from the recapitalisation of the listed entity, ALL
- the deed fund proceeds would be used to pay administration fees and costs.

We estimate there will be a return to ALL unsecured creditors under the DOCA scenarios, but no return to unsecured creditors under a liquidation scenario. Noteholders (through the PTQ's fixed and floating charge) will receive the same return as unsecured creditors in a DOCA.

Creditors need to be aware that in the case of ALL, circumstances may arise where the respective DOCA terminates and the deed fund is distributed through a creditors' trust mechanism. Whilst the Administrators have taken all possible steps to protect the interests of creditors by ensuring that their claims are not released and the DOCA does not terminate until the relevant pre-conditions are met, creditors should understand that their rights under a creditors' trust are different to their rights under the DOCA.

Under a DOCA, creditors' rights are regulated by both the terms of the DOCA and the provisions of the Act (which deal with such matters as the right of creditors to appeal against a rejection of a proof of debt). Under a creditors' trust, the rights of creditors will transform into the rights of a beneficiary under the terms of the trust instrument with any additional rights under the Trusts Act. The Administrators have made attempts to ensure that the rights of creditors under a creditors' trust are as similar as possible to their rights under a DOCA.

It is apparent that the ALL DOCA provides the following benefits over liquidation for ALL creditors:

- greater certainty of returns to all creditors
- the return to all creditors will be considerably faster under a DOCA than under liquidation.

ESOP summaries, for ALC, ALI, Gallipoli and Miriwinni, of estimated liquidation and ALL DOCA scenarios are provided below. Again we have only performed analysis on Asset Loan Group companies which held property or assets and were trading at Appointment Date. Detailed ESOPs are attached as Appendix F.

DOCA - Optimistic	ALL	DOCA - Pessimistic	ALL
<i>Estimated cents in the dollar</i>		<i>Estimated cents in the dollar</i>	
PTQ (noteholders)	14	PTQ (noteholders)	6
Secured creditors (excluding intercompany)	~	Secured creditors (excluding intercompany)	~
Employee entitlements	~	Employee entitlements	~
Unsecured creditors	14	Unsecured creditors	6
Intercompany creditors	14	Intercompany creditors	6

The following ESOP summaries were included in section 11 of this report, and have been provided again to allow for a more accessible comparison of ALL liquidation and DOCA scenarios.

Liquidation - Optimistic	ALL	Liquidation - Pessimistic	ALL
<i>Estimated cents in the dollar</i>		<i>Estimated cents in the dollar</i>	
PTQ (noteholders)	0	PTQ (noteholders)	0
Secured creditors (excluding intercompany)	~	Secured creditors (excluding intercompany)	~
Employee entitlements	~	Employee entitlements	~
Unsecured creditors	0	Unsecured creditors	0
Intercompany creditors	0	Intercompany creditors	0

~ No creditors in this creditor class

Detailed terms of the proposed ALL DOCA are as follows:

- the Deed Administrators will be John Lethbridge Greig and Richard John Hughes

- the Deed Administrators will seek proposals for the recapitalisation of ALL
- before acceptance of any proposal the Deed Administrators will reconvene a meeting of the Committee (or of creditors if no Committee is formed) to table any mechanism by which to facilitate any recapitalisation by either a revised or amended DOCA and Creditor's Trust Deed
- by any revised or amended DOCA and Creditor's Trust Deed, it is anticipated that:
 - parties to the aforementioned will be offered the opportunity to subscribe for shares in ALL, subject to approval of shareholders
 - the Deed Administrators will establish a deed fund into which will be paid the proceeds from the recapitalisation of the listed entity, ALL
 - all ALL creditors having claims at Appointment Date will be entitled to participate in the deed fund pro rata to the value of their claims subject to payment of the costs of the administration and DOCA, and payment of any priority creditors whose claims would attract priority under s556 of the Corporations Act if ALL were placed into liquidation
 - the directors are to covenant to undertake their best endeavours to effect a recapitalisation of ALL to raise funds for the benefit of creditors
 - it is a condition of the DOCA and any revised or amended DOCA that ALL release the directors, the secured creditors and all of their related entities from all claims
 - creditors' claims are to be released and extinguished upon satisfaction of all conditions precedent and subsequent and the Deed Administrators will pay the ALL deed fund into a trust fund for the benefit of the creditors for the purposes of distribution to creditors in a manner similar to that provided for under a DOCA
- in the event that the conditions of the DOCA are not met, the Administrators are entitled to call a meeting of creditors for the purposes of considering whether or not to terminate the DOCA and place ALL into liquidation.

Please refer to Appendix G for a copy of the draft DOCA.

13 Voluntary Administrators' recommendations

As mentioned earlier in this report, pursuant to Section 439A of the Act, the Administrators must provide a statement setting out their opinion about each of the following options:

For ALL, whether it would be in the creditor's interest for:

- a DOCA to be executed, or
- the administration to end and control of ALL be returned to the directors, or
- ALL to be wound up

and to state reasons for those opinions.

For all other creditors of Asset Loan Group, whether it would be in the creditor's interests for:

- the respective Asset Loan Group company's administration to end, or
- the respective Asset Loan Group company to be wound up.

and to state reasons for those opinions.

13.1 ALL - DOCA

A DOCA has been proposed for ALL and we are of the opinion that the return to ALL creditors would be greater under this DOCA than in a liquidation scenario.

We therefore recommend that creditors of ALL vote in favour of a DOCA, and do not recommend creditors vote in favour of liquidation.

This recommendation is made on the basis that the ALL listed shell can be marketed for sale, attracting a greater return for ALL creditors than if the company was liquidated.

The Administrators reserve the right to change their recommendation to creditors should there be any change to the proposal, or if an alternative proposed is received subsequent to the date of this report.

13.2 Administration to end

Based on our analysis Asset Loan Group is presently insolvent and unable to pay its debts as and when they fall due. This would not be in the best interest of creditors and would expose the directors to the possibility of liability for insolvent trading. **Accordingly, we cannot recommend that the administration end and control be returned to the directors.**

13.3 Other Asset Loan Group companies to be wound up


As there are no other DOCA proposals for Asset Loan Group companies, we recommend that respective creditors place the remaining Asset Loan Group companies into liquidation:


- ALC
- ALD
- HBMM
- ALI
- IBL
- ALRL
- Gallipoli
- Asset Life
- Laidley
- Miriwinni
- Cal Dev.

14 Voluntary Administrators' fees

The costs of the administration from 9 September to 31 October 2008 and forecast remuneration, is detailed below. All fees pertaining to ALL and ALC are pending approval by the Committees. We will provide an update on this approval at the second meeting of creditors.

Company	9 Sep to 30 Oct 2008	1 Nov 2008 to end of administration	Liquidation period	DOCA period
\$	Actual (ex GST)	Forecast (ex GST)	Forecast (ex GST)	Forecast (ex GST)
ALL	200,864.50	80,000.00	60,000.00	300,000.00
ALC	164,685.00	90,000.00	200,000.00	NA
ALI	5,354.50	10,000.00	60,000.00	NA
Gallipoli	1,142.00	6,000.00	30,000.00	NA
Miriwinni	2,282.50	6,000.00	30,000.00	NA
ALD	738.50	3,500.00	15,000.00	NA
ALRL	1,056.00	3,500.00	15,000.00	NA
IBL	1,013.00	3,500.00	15,000.00	NA
Asset Life	965.00	3,500.00	15,000.00	NA
Cal Dev	927.00	3,500.00	15,000.00	NA
HBMM	717.00	3,500.00	15,000.00	NA
Laidley	717.00	3,500.00	15,000.00	NA
Total	380,462.00	216,500.00	485,000.00	300,000.00

 Remuneration pending approval by the Committees

 Remuneration required to be approved by creditors at the second meeting of creditors

The Administrators' remuneration is based on the firm's hourly rates which are included in Appendix H. Where there is no committee of creditors, creditor approval for fees will be sought at the second meeting of creditors where a detailed narrative will be submitted together with the fee breakdown of work performed by our staff.

Due to the concentration of material assets and liabilities in both ALC and ALL, we have spent the majority of our time on these two companies. All other Asset Loan Group companies (with the exception of ALI, Gallipoli and Miriwinni) are effectively dormant, and accordingly our fees associated with these companies are minimal.

Administrators' fees for each Asset Loan Group company will only be paid out of asset realisations from that particular company.

A summary of the time spent by us and our staff in the administration to 30 October 2008 at their respective hourly rates is attached as Appendix H.

An estimate of the time to be spent by us and our staff from 1 November 2008 to the end of the administrations is also attached as Appendix H.

An estimate of the time to be spent by us and our staff from the ALL DOCA and all other Asset Loan Group company liquidations is also attached as Appendix H.

At the second meeting of creditors, we will propose separate resolutions in relation to the unpaid fees for the following Asset Loan Group companies from 9 September to 30 October 2008, estimated future fees for the period 1 November 2008 to the end of the administrations, and estimated future fees for the liquidation period.

- ALI
- Gallipoli
- Miriwinni
- ALD.
- IBL
- Asset Life
- Cal Dev
- HBMM
- ALRL
- Laidley

We will also propose a resolution in relation to estimated future fees for the liquidation period for ALC, and a separate resolution for the estimated future fees for the DOCA period for ALL, and for liquidation if the DOCA is not accepted.

These fees will be capped and accordingly we will be unable to draw fees more than this amount without further approval by creditors. If a lesser amount is incurred only the amount actually incurred will be paid.

The remuneration that we request creditors approve has been incurred as a result of exercising, inter alia, the following functions and duties:

- meetings with directors and staff at company premises
- convening and holding of meetings of creditors
- applying to court for an extension of the convening period
- developing strategy for realisation of assets
- liaising with the secured creditors
- production of Information Memorandum for interested parties
- liaise with interested parties regarding proposals, including gathering and organising due diligence material
- review financial performance
- consider and investigate the financial position of the companies
- investigation of company affairs including statutory requirements under the Act which included the forensic imaging of all computer systems
- liaising with valuers
- establishing new banking facilities
- review of company books and records
- produce cash flow and forecast to support the continuation of trade
- telephone discussions and handling queries from creditors, employees, noteholders and shareholders
- attendance to lodgement of statutory documentation with the ASIC and the ASX
- preparation of both this report and the first report to creditors
- administrative duties including typing, mailing and filing
- assessing the benefits of options available to creditors
- report to and meeting with the secured creditor regarding the position of the administration
- instructing lawyers to conduct actions to recover loans
- Arranging sale of certain assets, including instructing preparation of sale documents
- Instructing agents and negotiating sales of properties.

15 Second meeting of creditors

Pursuant to Section 439A(3) of the Act, we have attached a notice convening the second meeting of creditors to be held on Friday 5 December 2008 at our offices located at level 25, Riverside Centre, 123 Eagle Street, Brisbane, Queensland 4000 at 10:00am Brisbane time (see Form 529 enclosed as Appendix J). Facilities will also be made available to allow creditors to attend and participate by telephone.

Creditors may attend and vote in person, by proxy or by attorney. The appointment of a proxy must be made in accordance with Form 532 (see Appendix J). A specific proxy can be lodged showing approval or rejection of each resolution. Proxy forms or facsimiles thereof must be lodged with the Administrators prior to the commencement of the meeting. Where a facsimile copy of a proxy is sent, the original must be lodged with the Administrators within 72 hours after receipt of the facsimile. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairman of the meeting, prior to the commencement of the meeting.

Please note that attendance at this meeting is not compulsory.

We trust that creditors find this report informative and useful. In the event that you have any queries regarding the contents of this report, or the administration in general, please do not hesitate to contact or Joshua Taylor of this office on (07) 3308 7294.

Yours faithfully



John Lethbridge Greig
Administrator



Richard John Hughes
Administrator

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Appendix A - Declaration of Independence, Relevant Relationships and Indemnities

Corporations Act 2001

Section 436DA(2)

ASSET LOANS LIMITED ACN 107 745 095
ASSET LOAN CO. PTY LTD ACN 107 746 798
INSTANT BUSINESS LOANS PTY LTD ACN 124 851 136
ASSET LIFE PTY LTD ACN 114 426 694
ASSET LOAN DEVELOPMENTS PTY LTD ACN 125 442 293
GALLIPOLI DEVELOPMENTS PTY LTD ACN 125 247 243
HERVEY BAY MARINA MOTEL PTY LTD ACN 125 432 555
MIRIWINI DEVELOPMENTS PTY LTD ACN 126 886 842
CAL DEV PTY LTD ACN 128 486 055
AL RETIREMENT LIVING PTY LTD ACN 128 422 435
LAIDLEY PROPERTIES PTY LTD ACN 102 266 731
(ALL ADMINISTRATORS APPOINTED)

ASSET LOAN INVESTMENTS PTY LTD ACN 113 135 452
(ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

(“Asset Loan Group”)

Declaration of Independence, Relevant Relationships and Indemnities

Independence

We, John Lethbridge Greig and Richard John Hughes have undertaken a proper assessment of the risks to our independence prior to accepting the appointments as Voluntary Administrators of the companies in the Asset Loan Group. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting or continuing to act on these appointments.

Relevant Relationships

We, or a member of our firm Deloitte Touche Tohmatsu, have, or have had within the preceding 24 months, a relationship with:

Name	Nature of relationship	Reasons why not an Impediment or Conflict
The PTQ (a secured creditor, trustee for the noteholders)	<p>From time to time, we accept engagements on behalf of the PTQ.</p> <p>In particular, Deloitte was engaged in April 2008 until 8 September 2008 as an Investigative Accountant, by the PTQ. The engagement provided for a review of ALL, ALC and its subsidiaries outlined above. All reporting was directly to the PTQ. Total fees were \$132,195.48 plus GST payable by the PTQ.</p>	<p>It is a commercial relationship.</p> <p>No advice was provided to ALL, ALC and/or any of its subsidiaries.</p>

Suncorp (a secured creditor)	From time to time, we accept engagements on behalf of Suncorp.	It is a commercial relationship.
ANZ (a secured creditor)	From time to time, we accept engagements on behalf of ANZ.	It is a commercial relationship.
Westpac (a secured creditor)	From time to time, we accept engagements on behalf of the Westpac.	It is a commercial relationship.
NAB (a secured creditor)	From time to time, we accept engagements on behalf of the NAB.	It is a commercial relationship.
Permanent Custodians (a secured creditor)	We are the auditors of Trust Company Limited, of which Permanent Custodians is a subsidiary.	It is a commercial relationship.
Tricom	We have previously provided consulting services to Tricom Equities, a related entity of Tricom. The advice was unrelated to the Asset Loan Group.	It is a commercial relationship.

There are no other prior professional or personal relationships that should be disclosed.

Prior Engagements with the Insolvent

We, or a member of our firm, have not undertaken any engagements for the companies in the Asset Loan Group prior to the acceptance of these appointments.

Indemnities

We have been indemnified in relation to the conduct of the administration relating to ALL and ALC by the PTQ. The indemnity relates to all reasonable fees and expenses incurred by the voluntary administrators in respect to these two entities. We also have an indemnity for these two entities and their subsidiaries under statute.

Dated this 27th day of November 2008



John Lethbridge Greig
Administrator



Richard John Hughes
Administrator

NOTE: If circumstances change, or new information is identified, we are required under Section 436DA(5) of the Corporations Act 2001 and the IPA Code of Professional Conduct to update this Declaration and provide a copy to creditors with my next communication as well as table a copy of any replacement declaration at the next meeting of the companies' creditors.

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Appendix B - Statutory information

Organisation name:	Asset Life Pty Ltd (Administrators Appointed)
ACN:	114 426 694
ABN:	N/A
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	24 May 2005

Organisation name:	Instant Business Loans Pty Ltd (Administrators Appointed)
ACN:	124 851 136
ABN:	94 124 851 136
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	11 April 2007

Organisation name:	Asset Loan Developments Pty Ltd (Administrators Appointed)
ACN:	125 442 293
ABN:	61 125 442 293
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	16 May 2007

Organisation name:	Cal Dev Pty Ltd (Administrators Appointed)
ACN:	128 486 055
ABN:	93 128 486 055
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	15 November 2007

Organisation name:	Hervey Bay Marina Motel Pty Ltd (Administrators Appointed)
ACN:	125 432 555
ABN:	57 125 432 555
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	16 May 2007

Organisation name:	AL Retirement Living Pty Ltd (Administrators Appointed)
ACN:	128 422 435
ABN:	96 128 422 435
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	12 November 2007

Organisation name:	Laidley Properties Pty Ltd (Administrators Appointed)
ACN:	102 266 731
ABN:	12 102 266 731
Registered office:	Level 2, 10 Marine Parade, Southport
Principal place of business:	Level 2, 10 Marine Parade, Southport
State of registration:	Queensland
Registration date:	20 September 2002

Appendix C - Officers

Asset Life Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	24 May 2005	-
Russell Frank Percival	Director	24 May 2005	-
Lisa Fonti Karlis	Company Secretary	14 May 2007	-

Instant Business Loans Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	11 April 2007	-
Russell Frank Percival	Director	11 April 2007	-
Lisa Fonti Karlis	Company Secretary	2 May 2007	-

Asset Loan Developments Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	16 May 2007	-
Russell Frank Percival	Director	16 May 2007	-

Cal Dev Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	15 November 2007	-
Russell Frank Percival	Director	15 November 2007	-
Paul Alexander Sydney Hare	Company Secretary	15 November 2007	-

Hervey Bay Marina Motel Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	16 May 2007	-

AL Retirement Living Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	12 November 2007	-
Russell Frank Percival	Director	12 November 2007	-
Paul Alexander Sydney Hare	Company Secretary	12 November 2007	-

Laidley Properties Pty Ltd

Officer name	Position	Appointed date	Resignation date
Paul Alexander Sydney Hare	Director	20 September 2002	-
Russell Frank Percival	Director	20 September 2002	-
Paul Alexander Sydney Hare	Company Secretary	20 September 2002	-

Appendix D - Asset Loan Group financial statements

These accounts have not been reviewed or audited by the Administrators.

ALL income statement	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000
Interest revenue	-	2,262	2,348
Borrowing costs	(216)	(1,609)	(1,692)
Other revenue	-	2	1,100
Other expenses/impairment	-	-	(1)
	<u>(216)</u>	<u>655</u>	<u>1,755</u>
Expenses			
Employee expenses	-	-	3
Administrative expenses	59	371	164
Advertising and marketing expenses	4	136	552
Loan administration costs	-	-	16
Occupancy costs	-	75	-
Profit/(loss) before income tax	<u>(279)</u>	<u>73</u>	<u>1,021</u>
Income tax expense (benefit)	-	(22)	(91)
Profit/(loss) for the period attributable to equity holders	<u>(279)</u>	<u>51</u>	<u>931</u>

ALL balance sheet	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	4	382	441
Total current assets	<u>4</u>	<u>382</u>	<u>441</u>
Non-current assets			
Other investments	12	1	1
Deferred tax asset	66	66	88
Intercompany loan - ALC	15,956	16,101	20,728
Intercompany loan - other	-	-	4
Total non-current assets	<u>16,035</u>	<u>16,169</u>	<u>20,821</u>
Total assets	<u>16,038</u>	<u>16,551</u>	<u>21,262</u>
Current liabilities			
Trade and other payables	18	18	-
Unsecured notes	11,937	12,554	17,334
Total current liabilities	<u>11,955</u>	<u>12,572</u>	<u>17,334</u>
Non-current liabilities			
Intercompany loan - ALI	383	-	-
Total non-current liabilities	<u>383</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>12,338</u>	<u>12,572</u>	<u>17,334</u>
Net assets	<u>3,700</u>	<u>3,979</u>	<u>3,928</u>
Equity			
Share capital	4,026	4,026	4,026
Retained earnings	(326)	(47)	(98)
Total equity attributable to equity holders	<u>3,700</u>	<u>3,979</u>	<u>3,928</u>

ALC income statement	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000
Interest revenue	200	3,694	15,913
Fee revenue	-	218	1,344
Borrowing costs	(72)	(483)	(2,843)
Other revenue	-	14	5,461
Other expenses/impairment	-	(12,222)	(8,964)
	128	(8,779)	10,911
Expenses			
Employee expenses	177	1,623	1,295
Administrative expenses	120	210	760
Advertising and marketing expenses	-	5	108
Loan administration costs	-	-	131
Occupancy costs	47	102	187
Depreciation	-	26	23
Profit/(loss) before income tax	(215)	(10,745)	8,407
Income tax expense (benefit)	-	1,744	(2,854)
Profit/(loss) for the period attributable to equity holders	(215)	(9,000)	5,553

ALC balance sheet	10 September 2008	2008	2007
As at 30 June	Mgmt accounts	Mgmt accounts	Mgmt accounts
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	(5)	781	4,722
Loan and advances	12,965	13,376	30,555
Other assets	219	11	8
Bowen Marina revaluation	3,282	3,282	6,561
Total current assets	16,462	17,450	41,847
Non-current assets			
Inventories	-	-	-
Other investments	3	0	0
Deferred tax asset	1,109	1,109	570
Intercompany loans	8,025	8,199	1,006
Property plant and equipment	71	71	95
Total non-current assets	9,207	9,379	1,671
Total assets	25,669	26,829	43,518
Current liabilities			
Trade and other payables	86	119	137
Loans and borrowings	2,550	8,571	-
Employee benefits	394	316	159
Current tax payable	53	144	466
Investor funds account	8,535	-	-
Total current liabilities	11,618	9,150	762
Non-current liabilities			
Loans and borrowings	-	2,550	13,116
Intercompany loans	15,479	16,457	20,762
Deferred tax liabilities	1,139	1,139	2,345
Total non-current liabilities	16,618	20,146	36,223
Total liabilities	28,235	29,296	36,985
Net assets	(2,567)	(2,467)	6,533
Equity			
Share capital	1	1	1
Retained earnings	(2,568)	(2,468)	6,532
Total equity attributable to equity holders	(2,567)	(2,467)	6,533

In reading this report, creditors should note that the retained earnings amounts in the balance sheet (calculated by Management) do not reconcile to the income statement. We have not received any explanation of this apparent error in the financial statements.

ALI income statement	10 September 2008		2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000	\$'000
Interest revenue	-	7	2	2
Fee revenue	-	-	-	2
Borrowing costs	(183)	(1,078)	(554)	(554)
Other revenue	91	1,305	332	332
Other expenses/impairment	-	(2,109)	(21)	(21)
	<u>(92)</u>	<u>(1,875)</u>	<u>(239)</u>	<u>(239)</u>
Expenses				
Administrative expenses	19	86	63	63
Advertising and marketing expenses	-	2	-	-
Loan administration costs	-	2	17	17
Occupancy costs	34	174	114	114
Depreciation	-	112	91	91
Profit/(loss) before income tax	<u>(144)</u>	<u>(2,252)</u>	<u>(523)</u>	<u>(523)</u>
Income tax expense (benefit)	-	(295)	105	105
Profit/(loss) for the period attributable to equity holders	<u>(144)</u>	<u>(2,547)</u>	<u>(418)</u>	<u>(418)</u>

ALI balance sheet	10 September 2008		2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	(590)	168	164	164
Loan and advances	-	-	-	-
Other assets	125	45	40	40
Property deposits	-	-	171	171
Total current assets	<u>(465)</u>	<u>213</u>	<u>375</u>	<u>375</u>
Non-current assets				
Inventories	10,530	10,530	6,093	6,093
Other investments	-	-	1	1
Intercompany loans	643	540	-	-
Deferred tax asset	14	14	276	276
Property plant and equipment	4,137	4,137	4,245	4,245
Total non-current assets	<u>15,324</u>	<u>15,221</u>	<u>10,615</u>	<u>10,615</u>
Total assets	<u>14,859</u>	<u>15,434</u>	<u>10,990</u>	<u>10,990</u>
Current liabilities				
Trade and other payables	203	578	21	21
Current tax payable	2	-	-	-
Total current liabilities	<u>204</u>	<u>578</u>	<u>21</u>	<u>21</u>
Non-current liabilities				
Loans and borrowings	10,631	10,684	9,739	9,739
Intercompany loans	-	1	689	689
Other liabilities	-	4	-	-
Deferred tax liabilities	440	440	407	407
Total non-current liabilities	<u>11,072</u>	<u>11,129</u>	<u>10,835</u>	<u>10,835</u>
Total liabilities	<u>11,276</u>	<u>11,707</u>	<u>10,856</u>	<u>10,856</u>
Net assets	<u>3,583</u>	<u>3,727</u>	<u>134</u>	<u>134</u>
Equity				
Share capital	0	0	0	0
Reserves	788	788	788	788
Capital contribution	6,139	6,139	-	-
Retained earnings	(3,344)	(3,200)	(653)	(653)
Total equity attributable to equity holders	<u>3,583</u>	<u>3,727</u>	<u>134</u>	<u>134</u>

Gallipoli income statement	10 September 2008		2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000	\$'000
Borrowing costs	-	(91)	-	-
Other revenue	0	0	-	-
Other expenses/impairment	-	(244)	-	-
	0	(335)	-	-
Expenses				
Administrative expenses	-	6	-	-
Loan administration costs	-	2	-	1
Occupancy costs	1	3	-	-
Profit/(loss) before income tax	(1)	(346)	(1)	(1)
Income tax expense (benefit)	-	-	-	-
Profit/(loss) for the period attributable to equity holders	(1)	(346)	(1)	(1)

Gallipoli balance sheet	10 September 2008		2008
	Mgmt accounts	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	0	0	0
Current tax assets	0	0	0
Total current assets	0	1	1
Non-current assets			
Inventories	800	800	800
Total non-current assets	800	800	800
Total assets	800	801	801
Current liabilities			
Trade and other payables	1	5	5
Total current liabilities	1	5	5
Non-current liabilities			
Loans and borrowings	705	705	705
Intercompany loans	10	6	6
Total non-current liabilities	715	710	710
Total liabilities	716	716	716
Net assets	84	85	85
Equity			
Share capital	0	0	0
Capital contribution	431	431	431
Retained earnings	(347)	(346)	(346)
Total equity attributable to equity holders	84	85	85

Miriwinni income statement	10 September 2008	2008
For the period ended 30 June	Mgmt accounts \$'000	Mgmt accounts \$'000
Borrowing costs	(49)	(913)
Other revenue	-	2,582
Other expenses/impairment	-	(1,642)
	(49)	27
Expenses		
Administrative expenses	0	7
Loan administration costs	-	13
Occupancy costs	-	7
Profit/(loss) before income tax	(49)	-
Income tax expense (benefit)	-	-
Profit/(loss) for the period attributable to equity holders	(49)	-

Miriwinni balance sheet	10 September 2008	2008
As at 30 June	Mgmt accounts \$'000	Mgmt accounts \$'000
Current assets		
Cash and cash equivalents	1	1
Current tax assets	0	1
Total current assets	1	1
Non-current assets		
Inventories	3,500	3,500
Total non-current assets	3,500	3,500
Total assets	3,501	3,501
Current liabilities		
Trade and other payables	2	7
Total current liabilities	2	7
Non-current liabilities		
Loans and borrowings	2,224	3,495
Intercompany loans	1,321	-
Total non-current liabilities	3,545	3,495
Total liabilities	3,547	3,501
Net assets	(46)	0
Equity		
Share capital	0	0
Capital contribution	3	-
Retained earnings	(49)	-
Total equity attributable to equity holders	(46)	0

ALD income statement	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000
Borrowing costs	-	(0)	-
Other revenue	-	9	-
	-	9	-
Expenses			
Administrative expenses	25	200	-
Loan administration costs	-	-	1
Profit/(loss) before income tax	(25)	(191)	(1)
Income tax expense (benefit)	-	-	-
Profit/(loss) for the period attributable to equity holders	(25)	(191)	(1)

ALD balance sheet	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	4	1	-
Other assets	0	-	-
Current tax assets	2	1	0
Total current assets	6	2	-
Non-current assets			
Other investments	-	0	-
Total non-current assets	-	0	-
Total assets	6	2	-
Current liabilities			
Trade and other payables	-	14	-
Total current liabilities	-	14	-
Non-current liabilities			
Intercompany loans	222	181	1
Total non-current liabilities	222	181	1
Total liabilities	222	194	1
Net assets	(216)	(192)	(1)
Equity			
Share capital	0	(0)	-
Retained earnings	(216)	(192)	(1)
Total equity attributable to equity holders	(216)	(192)	(1)

Asset Life income statement	10 September 2008	2008
	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000
Borrowing costs	-	(1)
	-	(1)
Expenses		
Administrative expenses	29	180
Advertising and marketing expenses	-	1
Profit/(loss) before income tax	(29)	(182)
Income tax expense (benefit)	-	(1)
Profit/(loss) for the period attributable to equity holders	(29)	(183)

Asset Life balance sheet	10 September 2008	2008
	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000
Current assets		
Cash and cash equivalents	5	1
Other assets	2	2
Current tax assets	2	6
Total current assets	9	9
Total assets	9	9
Current liabilities		
Trade and other payables	24	14
Total current liabilities	24	14
Non-current liabilities		
Intercompany loans	161	141
Total non-current liabilities	161	141
Total liabilities	185	155
Net assets	(176)	(146)
Equity		
Share capital	(0)	(0)
Retained earnings	(176)	(146)
Total equity attributable to equity holders	(176)	(146)

ALRL income statement	10 September 2008	2008
	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000
Borrowing costs	-	(0)
Other revenue	0	-
	<u>0</u>	<u>(0)</u>
Expenses		
Administrative expenses	-	55
Profit/(loss) before income tax	<u>0</u>	<u>(55)</u>
Income tax expense (benefit)	-	-
Profit/(loss) for the period attributable to equity holders	<u><u>0</u></u>	<u><u>(55)</u></u>

ALRL balance sheet	10 September 2008	2008
	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000
Current assets		
Cash and cash equivalents	0	0
Current tax assets	0	0
Total current assets	<u>0</u>	<u>1</u>
Total assets	<u>0</u>	<u>1</u>
Current liabilities		
Trade and other payables	-	4
Total current liabilities	<u>-</u>	<u>4</u>
Non-current liabilities		
Intercompany loans	54	51
Total non-current liabilities	<u>54</u>	<u>51</u>
Total liabilities	<u>54</u>	<u>55</u>
Net assets	<u><u>(53)</u></u>	<u><u>(55)</u></u>
Equity		
Share capital	0	(0)
Retained earnings	(54)	(55)
Total equity attributable to equity holders	<u><u>(54)</u></u>	<u><u>(55)</u></u>

Cal Dev income statement	10 September 2008	2008
	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000
Borrowing costs	-	(0)
Other revenue	0	(311)
	<u>0</u>	<u>(311)</u>
Expenses		
Administrative expenses	-	15
Profit/(loss) before income tax	<u>0</u>	<u>(326)</u>
Income tax expense (benefit)	-	-
Profit/(loss) for the period attributable to equity holders	<u><u>0</u></u>	<u><u>(326)</u></u>

Cal Dev balance sheet	10 September 2008	2008
	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000
Current assets		
Cash and cash equivalents	3	2
Current tax assets	0	-
Total current assets	<u>3</u>	<u>2</u>
Total assets	<u>3</u>	<u>2</u>
Current liabilities		
Trade and other payables	-	165
Current tax payable	-	0
Total current liabilities	<u>-</u>	<u>165</u>
Non-current liabilities		
Intercompany loans	30	28
Total non-current liabilities	<u>30</u>	<u>28</u>
Total liabilities	<u>30</u>	<u>192</u>
Net assets	<u>(27)</u>	<u>(190)</u>
Equity		
Share capital	0	0
Capital contribution	298	135
Retained earnings	(326)	(326)
Total equity attributable to equity holders	<u>(27)</u>	<u>(190)</u>

HBMM income statement	10 September 2008		2008
	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000
Other revenue	0		-
Other expenses/impairment	-		(76)
	<u>0</u>		<u>(76)</u>
Expenses			
Employee expenses	-		84
Administrative expenses	-		0
Occupancy costs	-		4
Profit/(loss) before income tax	<u>0</u>		<u>(164)</u>
Income tax expense (benefit)	-		(84)
Profit/(loss) for the period attributable to equity holders	<u>0</u>		<u>(247)</u>

HBMM balance sheet	10 September 2008		2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000	\$'000	\$'000
Current assets				
Cash and cash equivalents	1	0		-
Current tax assets	0	0		5
Total current assets	<u>1</u>	<u>1</u>		<u>5</u>
Non-current assets				
Inventories	-	-		47
Licences	-	-		76
Total non-current assets	<u>-</u>	<u>-</u>		<u>123</u>
Total assets	<u>1</u>	<u>1</u>		<u>128</u>
Current liabilities				
Trade and other payables	-	4		57
Total current liabilities	<u>-</u>	<u>4</u>		<u>57</u>
Non-current liabilities				
Intercompany loans	85	81		71
Total non-current liabilities	<u>85</u>	<u>81</u>		<u>71</u>
Total liabilities	<u>85</u>	<u>85</u>		<u>128</u>
Net assets	<u>(84)</u>	<u>(85)</u>		<u>(1)</u>
Equity				
Share capital	0	0		(0)
Retained earnings	(84)	(85)		(1)
Total equity attributable to equity holders	<u>(84)</u>	<u>(85)</u>		<u>(1)</u>

In reading this report, creditors should note that the retained earnings amounts in the balance sheet (calculated by Management) do not reconcile to the income statement. We have not received any explanation of this apparent error in the financial statements.

IBL income statement	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
For the period ended 30 June	\$'000	\$'000	\$'000
Interest revenue	-	54	-
Fee revenue	-	(2)	22
Borrowing costs	-	(7)	(0)
Other revenue	(0)	-	-
Other expenses/impairment	-	(20)	(10)
	<u>(0)</u>	<u>26</u>	<u>12</u>
Expenses			
Employee expenses	-	-	-
Administrative expenses	-	9	-
Advertising and marketing expenses	-	7	8
Occupancy costs	-	1	-
Profit/(loss) before income tax	<u>(0)</u>	<u>10</u>	<u>4</u>
Income tax expense (benefit)	-	(3)	(1)
Profit/(loss) for the period attributable to equity holders	<u>(0)</u>	<u>7</u>	<u>3</u>

IBL balance sheet	10 September 2008	2008	2007
	Mgmt accounts	Mgmt accounts	Mgmt accounts
As at 30 June	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	0	0	27
Loan and advances	-	-	221
Other assets	-	-	2
Total current assets	<u>0</u>	<u>0</u>	<u>249</u>
Non-current assets			
Inventories			
Intercompany loans	9	13	-
Deferred tax asset	-	-	3
Property plant and equipment	0	0	0
Total non-current assets	<u>10</u>	<u>14</u>	<u>3</u>
Total assets	<u>10</u>	<u>14</u>	<u>253</u>
Current liabilities			
Trade and other payables	-	(4)	0
Current tax payable	-	-	4
Total current liabilities	<u>-</u>	<u>(4)</u>	<u>5</u>
Non-current liabilities			
Intercompany loans	-	-	245
Total non-current liabilities	<u>-</u>	<u>-</u>	<u>245</u>
Total liabilities	<u>-</u>	<u>(4)</u>	<u>250</u>
Net assets	<u>10</u>	<u>9</u>	<u>3</u>
Equity			
Share capital	0	0	0
Retained earnings	10	9	3
Total equity attributable to equity holders	<u>10</u>	<u>9</u>	<u>3</u>

Laidley income statement	10 September 2008	2008
For the period ended 30 June	Mgmt accounts \$'000	Mgmt accounts \$'000
Borrowing costs	(0)	(0)
Other revenue	0	-
	<u>0</u>	<u>(0)</u>
Expenses		
Administrative expenses	-	5
Profit/(loss) before income tax	<u>0</u>	<u>(5)</u>
Income tax expense (benefit)	-	-
Profit/(loss) for the period attributable to equity holders	<u><u>0</u></u>	<u><u>(5)</u></u>

Laidley balance sheet	10 September 2008	2008
As at 30 June	Mgmt accounts \$'000	Mgmt accounts \$'000
Current assets		
Cash and cash equivalents	0	0
Current tax assets	0	0
Total current assets	<u>0</u>	<u>1</u>
Total assets	<u>0</u>	<u>1</u>
Current liabilities		
Trade and other payables	-	4
Total current liabilities	<u>-</u>	<u>4</u>
Non-current liabilities		
Intercompany loans	4	1
Total non-current liabilities	<u>4</u>	<u>1</u>
Total liabilities	<u>4</u>	<u>5</u>
Net assets	<u><u>(4)</u></u>	<u><u>(5)</u></u>
Equity		
Share capital	0	0
Retained earnings	(4)	(5)
Total equity attributable to equity holders	<u><u>(4)</u></u>	<u><u>(5)</u></u>

Appendix E – Report as to affairs (RATA) summaries

This information has been provided by the directors.

RATA summary \$'000	ERV ALL	ERV ALC	ERV ALI	ERV Gallipoli	ERV Miriwinni	ERV ALD
Assets						
Interest in land	-	-	14,750	950	5,100	-
Sundry debtors	15,908	12,994	60	-	-	2
Cash on hand	-	-	-	-	-	-
Cash at bank	4	-	8	-	1	4
Stock on hand	-	-	-	-	-	-
Plant & equipment	-	60	45	-	-	-
Other assets (Bowen Marina, LAPD, intercompany)	-	14,050	649	-	50	-
Sub total	15,912	27,104	15,511	950	5,151	6
Assets subject to specific charges	11,937	-	14,750	950	4,500	-
Less: Amounts owing under charges	(11,937)	-	(11,348)	(717)	(3,643)	-
Total assets	3,974	27,104	4,162	234	1,507	6
Liabilities						
Less: Amounts owing for tax	-	(30)	-	-	-	-
Less: Employee entitlements	-	(287)	-	-	-	-
Less: Amounts owing under floating charges	-	(15,893)	-	-	-	-
Less: Preferential claims	-	-	-	-	-	-
Partly secured creditors	-	-	-	-	-	-
Total claims	-	(16,209)	-	-	-	-
Available to unsecured creditors	3,974	10,895	4,162	234	1,507	6
Unsecured creditors	(12)	(18,519)	(192)	(9)	-	(220)
Contingent assets (Bowen Marina, LAPD, SEA Apartments)	-	8,600	-	-	-	-
Contingent liabilities	-	-	-	-	-	-
Surplus/(shortfall)	3,962	976	3,970	225	1,507	(214)

RATA summary \$'000	ERV IBL	ERV Asset Life	ERV Cal Dev	ERV HBMM	ERV ALRL	ERV Laidley
Assets						
Interest in land	-	-	-	-	-	-
Sundry debtors	15	-	-	-	-	-
Cash on hand	-	-	-	-	-	-
Cash at bank	-	5	3	1	-	-
Stock on hand	-	-	-	-	-	-
Plant & equipment	-	-	-	-	-	-
Other assets (Bowen Marina, LAPD, intercompany)	-	2	-	-	50	-
Sub total	15	7	3	1	50	-
Assets subject to specific charges	-	-	-	-	-	-
Less: Amounts owing under charges	-	-	-	-	-	-
Total assets	15	7	3	1	50	-
Liabilities						
Less: Amounts owing for tax	-	-	-	-	-	-
Less: Employee entitlements	-	-	-	-	-	-
Less: Amounts owing under floating charges	-	-	-	-	-	-
Less: Preferential claims	-	-	-	-	-	-
Partly secured creditors	-	-	-	-	-	-
Total claims	-	-	-	-	-	-
Available to unsecured creditors	15	7	3	1	50	-
Unsecured creditors	(2)	(183)	(37)	(85)	(55)	(5)
Contingent assets (Bowen Marina, LAPD, SEA Apartments)	-	-	-	-	-	-
Contingent liabilities	-	-	-	-	-	-
Surplus/(shortfall)	13	(176)	(34)	(84)	(4)	(5)

Appendix F – Detailed estimated statements of position (ESOP)

We advise that the estimates used in all of our ESOPs are subject to change, and actual sale proceeds from asset realisations may differ from our estimated values.

ALL ESOP - DOCA scenario	Note	Book value 10 September 2008	DOCA optimistic	DOCA pessimistic
Assets subject to fixed and floating charge				
Cash		3,790	-	-
Intercompany loan - ALC	1	15,956,355	-	-
Other current assets		78,339	-	-
Funds available to priority creditors		16,038,484	-	-
Administrators fees				
Administrator's fees and expenses	2	-	(280,865)	(280,865)
Estimated Deed Administrators' fees and expenses	2	-	(240,000)	(300,000)
Surplus/(shortfall) to priority creditors		16,038,484	(520,865)	(580,865)
PTQ fixed and floating charge		(11,937,438)	(6,891,591)	(7,864,311)
Assets not subject to a fixed and floating charge				
ALL listed shell	3	-		
Funds available to unsecured creditors		4,101,047		
Shortfall to the PTQ	4	-	(6,891,591)	(7,864,311)
Trade creditors and accruals	4	(17,785)	(17,785)	(17,785)
Intercompany payables	4	(383,246)	(383,246)	(383,246)
<i>Cents in dollar</i>		<i>100</i>	<i>14</i>	<i>6</i>
Estimated surplus/(shortfall)		3,700,016		

Due to commercial reasons we are unable to provide full particulars of some asset values.

Notes

Note 1	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Intercompany loan - ALC	15,956,355	-	-

As all companies in Asset Loan Group are in administration, a return from the ALC intercompany loan is unlikely. PTQ has a first ranking fixed and floating charge over ALC and would be paid first from the proceeds of any realisations of this asset.

Note 2	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Administrator's fees and expenses	-	(280,865)	(280,865)
Estimated Deed Administrators' fees and expenses	-	(240,000)	(300,000)

The Administrators' and Deed Administrators' remuneration is discussed in section 14 of this report. Under an optimistic scenario we have estimated that the Deed Administrator's fees would be 20% less.

Note 3	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
ALL listed shell	-		

Proceeds received from the sale of the ALL listed shell will be applied evenly across all creditor classes as the shell is not an asset subject to the PTQ's charge. The optimistic sale price for the ALL listed shell is an estimate only based on our understanding of the current market for listed shells.

Note 4	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Shortfall to the PTQ	-	(6,891,591)	(7,864,311)
Trade creditors and accruals	(17,785)	(17,785)	(17,785)
Intercompany payables	(383,246)	(383,246)	(383,246)

As previously discussed, the PTQ holds a first ranking fixed and floating charge over ALL and ALC. ALC pays the PTQ's debt first, then ALL pays any shortfall incurred to the PTQ's debt first as well (or vice versa).

Proceeds from the sale of the ALL listed shell will be applied evenly across all creditor classes as the shell is not an asset subject to the PTQ's charge.

ALL ESOP - Liquidation scenario	Note	Book value 10 September 2008	Liquidation optimistic	Liquidation pessimistic
Assets subject to fixed and floating charge				
Cash		3,790	-	-
Intercompany loan - ALC	1	15,956,355	-	-
Other current assets		78,339	-	-
Funds available to priority creditors		16,038,484	-	-
Administrators fees				
Administrator's fees and expenses	2	-	(280,865)	(280,865)
Estimated liquidators fees and expenses	2	-	(48,000)	(60,000)
Surplus/(shortfall) to priority creditors		16,038,484	(328,865)	(340,865)
Less: PTQ fixed and floating charge	3	(11,937,438)	(7,391,591)	(7,864,311)
<i>Cents in dollar</i>		<i>100</i>	<i>0</i>	<i>0</i>
Surplus/(shortfall) to the PTQ		4,101,047	(7,720,456)	(8,205,176)
Funds available to unsecured creditors		4,101,047	-	-
Trade creditors and accruals		(17,785)	(17,785)	(17,785)
Total unsecured creditors		(17,785)	(17,785)	(17,785)
<i>Cents in dollar</i>		<i>100</i>	<i>0</i>	<i>0</i>
Funds available to intercompany creditors		4,083,262	-	-
Intercompany payables		(383,246)	(383,246)	(383,246)
<i>Cents in dollar</i>		<i>100</i>	<i>0</i>	<i>0</i>
Estimated surplus/(shortfall)		3,700,016	(8,121,487)	(8,606,207)

Due to commercial reasons we are unable to provide full particulars of some asset values.

Notes

Note 1	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Intercompany loan - ALC	15,956,355	-	-

As all companies in Asset Loan Group are in administration, a return from the ALC intercompany loan is unlikely. PTQ has a first ranking fixed and floating charge over ALC and would be paid first from the proceeds of any realisations of this asset.

Note 2	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Administrator's fees and expenses	-	(280,865)	(280,865)
Estimated liquidators fees and expenses	-	(48,000)	(60,000)

The Administrators' and liquidator's remuneration is discussed in section 14 of this report. Under an optimistic scenario we have estimated that the Liquidator's fees would be 20% less.

Note 3	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Less: PTQ fixed and floating charge	(11,937,438)	(7,391,591)	(7,864,311)

As previously discussed, the PTQ holds a first ranking fixed and floating charge over ALL and ALC. ALC pays the PTQ's debt first, then ALL pays any shortfall incurred to the PTQ's debt first as well (or vice versa).

ALC	Note	Book value	Liquidation	Liquidation
ESOP - Liquidation scenario		10 September 2008	optimistic	pessimistic
Assets available for priority creditors				
Cash		-	-	-
Trade debtors		-	-	-
Bowen Marina	1	3,282,460		
Debtors - profit share		213,752	-	-
Total loans advanced	2	12,964,715		
Plant and equipment		70,502		
Intercompany debtors	3	8,518,083	-	-
Future tax benefit	4	1,109,047	-	-
Other current assets		8,592	-	-
Funds available to priority creditors		26,167,151		
Administrators fees				
Administrator's fees and expenses	5	-	(254,685)	(254,685)
Estimated liquidators fees and expenses	5	-	(160,000)	(200,000)
Funds available to employees		26,167,151	5,113,980	4,141,260
Employee entitlements	6	(213,200)	(68,133)	(68,133)
<i>Cents in dollar</i>		<i>100</i>	<i>100</i>	<i>100</i>
Less: PTQ fixed and floating charge	7	(11,937,438)	(11,937,438)	(11,937,438)
<i>Cents in dollar</i>		<i>100</i>	<i>42</i>	<i>34</i>
Surplus/(shortfall) to the PTQ		14,016,513	(6,891,591)	(7,864,311)
Funds available to unsecured creditors				
		14,016,513	-	-
Trade creditors and accruals		(116,002)	(116,002)	(116,002)
Unsecured private investors		(2,550,000)	(2,550,000)	(2,550,000)
Investor control account		(8,535,494)	(8,535,494)	(8,535,494)
Directors entitlement claims		(196,283)	(196,283)	(196,283)
Deferred tax liability		(1,335,409)	-	-
Total Unsecured Creditors		(12,733,188)	(11,397,779)	(11,397,779)
<i>Cents in dollar</i>		<i>100</i>	<i>0</i>	<i>0</i>
Funds available to intercompany creditors				
		1,283,325	-	-
Intercompany payables		(34,987)	(34,987)	(34,987)
<i>Cents in dollar</i>		<i>0</i>	<i>0</i>	<i>0</i>
Estimated surplus/(shortfall)		1,248,338	(11,432,766)	(11,432,766)

Due to commercial reasons we are unable to provide full particulars of some asset values.

Notes

Note 1	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Bowen Marina	3,282,460		

We are still finalising a sale agreement between ALC and an interested party for the sale of the Bowen Marina. We have not shown optimistic and pessimistic values due to the sensitive nature of the sale.

Note 2	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Total loans advanced	12,964,715		

Due to the large number of bad debts in the ALC loan book, and the relatively lower ranking security positions held by ALC over a large portion of these loans, we estimate that the recoverability will be minimal under an optimistic scenario.

Note 3	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Intercompany debtors	8,518,083	-	-

As all companies in Asset Loan Group are in administration, a return from the intercompany debtors is unlikely. Some of these loans are secured however it is likely there will be a shortfall.

Note 4	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Future tax benefit	1,109,047	-	-

It is unlikely that any of the future tax benefit will be recoverable if ALC is placed into liquidation (or a DOCA).

Note 5	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Administrator's fees and expenses	-	(254,685)	(254,685)
Estimated liquidators fees and expenses	-	(160,000)	(200,000)

The Administrators' and liquidator's remuneration is discussed in section 14 of this report. Under an optimistic scenario we have estimated that the Liquidator's fees would be 20% less.

Note 6	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Employee entitlements	(213,200)	(68,133)	(68,133)

A detailed breakdown of ALC employee entitlements is provided below. The Act states that claims made by directors are subject to capped amounts for holiday pay and long service leave (\$1.5k), and unpaid wages (\$2k). In accordance with the Act, ALC priority employee entitlements (including directors' capped amounts) total \$68k

Breakdown of employee entitlements	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Provision for annual leave	24,699	13,573	13,573
Provision for long service leave	185,158	-	-
Superannuation	3,343	3,343	3,343
Payment in lieu of notice	-	16,539	16,539
Redundancy payment	-	34,678	34,678
Total	213,200	68,133	68,133

Note 7	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Less: PTQ fixed and floating charge	(11,937,438)	(11,937,438)	(11,937,438)

As previously discussed, the PTQ holds a first ranking fixed and floating charge over ALL and ALC. Proceeds from assets realised will repay the PTQ's securities first, with any shortfall to be met by ALL (and vice versa)

ALI	Note	Book value	Liquidation	Liquidation
ESOP - Liquidation scenario		10 September 2008	optimistic	pessimistic
Assets subject to specific fixed charges				
Days Inn (book value includes writedown)		4,420,000		
Less: Banksia/Permanent Custodians mortgage		(2,282,899)	(2,282,899)	(2,282,899)
Less: ALC mortgage		(2,955,000)	(2,955,000)	(2,955,000)
Surplus/(shortfall)		(817,899)		
SEA Apartments (book value includes writedown)		5,510,000		
Less: Westpac mortgage		(998,980)	(998,980)	(998,980)
Less: Myra Nominees (Tricom) mortgage		(4,454,913)	(4,454,913)	(4,454,913)
Less: ALC mortgage		(1,805,441)	(1,805,441)	(1,805,441)
Surplus/(shortfall)		(1,749,334)		
Dunns Creek (book value includes writedown)		599,760		
Less: NAB mortgage		(597,677)	(597,677)	(597,677)
Less: ALC mortgage		(1,379,029)	(1,379,029)	(1,379,029)
Surplus/(shortfall)		(1,376,946)		
Huntington Apartments		4,091,860		
Less: Suncorp mortgage		(2,380,000)	(2,380,000)	(2,380,000)
Less: Suncorp lease		(447,413)	(447,413)	(447,413)
Less: Gardez Nominees		-		
Less: Myra Nominees (Tricom) mortgage		-	-	(1,903,893)
Surplus/(shortfall)		1,264,447		
Surplus fixed charge assets		1,264,447	1,372,587	(621,306)
Assets subject to fixed and floating charge				
Cash		7,732	-	-
Trade debtors		20,133	-	-
Intercompany debtors	1	642,736	-	-
Other non-current assets		37,788	-	-
Furniture and fixtures		45,306	45,306	22,653
Tax assets		14,276	-	-
Funds available to priority creditors		2,032,419	1,417,893	(598,653)
Administrators fees				
Administrator's fees and expenses	2	-	(15,355)	(15,355)
Estimated liquidators fees and expenses	2	-	(48,000)	(60,000)
Surplus/(shortfall) to priority creditors		2,032,419	1,354,538	(674,008)
Shortfall to fixed and floating chargeholders				
Less: Banksia/Permanent Custodians shortfall		-	-	(182,899)
Less: Gardez Nominees shortfall	3	-		
Less: Myra Nominees (Tricom) shortfall		-	-	-
Less: ALC shortfall on any mortgage		(3,946,262)		
Surplus/(shortfall) to general fixed chargeholders		(1,913,843)	(4,460,724)	(7,946,377)
Funds available to unsecured creditors				
Trade creditors and accruals		118,576	-	-
Other creditors/payables	4	(185,887)	(185,887)	(185,887)
Deferred tax liability		(16,819)	(79,496)	(222,172)
		(442,229)	(442,229)	(442,229)
Total unsecured creditors		(644,936)	(707,612)	(850,289)
<i>Cents in dollar</i>		<i>18</i>	<i>0</i>	<i>0</i>
Estimated surplus/(shortfall)		(2,558,779)	(5,168,336)	(8,796,666)

Due to commercial reasons we are unable to provide full particulars of some asset values.

Notes

Note 1	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Intercompany debtors	642,736	-	-

As all companies in Asset Loan Group are in administration, a return from the intercompany debtors is unlikely.

Note 2	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Administrator's fees and expenses	-	(15,355)	(15,355)
Estimated liquidators fees and expenses	-	(48,000)	(60,000)

The Administrators' and liquidator's remuneration is discussed in section 14 of this report. Under an optimistic scenario we have estimated that the Liquidator's fees would be 20% less.

Note 3	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Less: Gardez Nominees shortfall	-	-	-

The Gardez Nominees loan is not recorded in the Management accounts. The mortgage is stamped for \$950k.

Note 4	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Other creditors/payables	(16,819)	(79,496)	(222,172)

Other creditors includes the shortfall suffered to the NAB on the Dunns Creek property. The NAB do not have a fixed and floating charge over ALI.

Gallipoli ESOP - Liquidation scenario	Note	Book value 10 September 2008	Liquidation optimistic	Liquidation pessimistic
Assets subject to specific fixed charges				
Port Kembla (book value includes writedown)	1	800,000		
NAB mortgage		(704,688)	(704,688)	(704,688)
<i>Cents in dollar</i>		100	100	85
ALC mortgage		(434,034)	(434,034)	(434,034)
Surplus/(shortfall) to specific fixed chargeholders		(338,722)		
Assets available for priority creditors				
Cash		319	-	-
Other current assets		177	-	-
Funds available to priority creditors		496	-	-
Administrators fees				
Administrator's fees and expenses	2	-	(7,142)	(7,142)
Estimated liquidators fees and expenses	2	-	(24,000)	(30,000)
Surplus/(shortfall) to priority creditors		496	(31,142)	(37,142)
Shortfall to priority chargeholders				
ALC mortgage		(338,722)		
Surplus/(shortfall) to general fixed chargeholders		(338,722)	(359,864)	(575,864)
Funds available to unsecured creditors				
Trade creditors and accruals		(1,241)	(1,241)	(1,241)
Total unsecured creditors		(1,241)	(1,241)	(1,241)
<i>Cents in dollar</i>		0	0	0
Funds available to intercompany creditors				
Intercompany loan - ALI		(7,744)	(7,744)	(7,744)
<i>Cents in dollar</i>		0	0	0
Estimated surplus/(shortfall)		(347,211)	(368,848)	(584,848)

Due to commercial reasons we are unable to provide full particulars of some asset values.

Notes

Note 1	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Port Kembla (book value includes writedown)	800,000		

We are currently negotiating the sale of one of the Port Kembla lots. We commissioned a valuation for both properties and have used the valuers' forced sale values under the pessimistic scenario.

Note 2	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Administrator's fees and expenses	-	(7,142)	(7,142)
Estimated liquidators fees and expenses	-	(24,000)	(30,000)

The Administrators' and liquidator's remuneration is discussed in section 14 of this report. Under an optimistic scenario we have estimated that the Liquidator's fees would be 20% less.

Miriwinni ESOP - Liquidation scenario	Note	Book value 10 September 2008	Liquidation optimistic	Liquidation pessimistic
Assets subject to specific fixed charges				
Miriwinni Eco Resort (book value includes writedown)	1	3,500,000		
Tricom mortgage		(2,223,868)	(2,223,868)	(2,223,868)
Surplus/(shortfall) to specific fixed chargeholders		1,276,132		
<i>Cents in dollar</i>		<i>100</i>	<i>100</i>	<i>100</i>
Assets subject to specific fixed charge				
ALC mortgage		(1,318,285)	(1,318,285)	(1,318,285)
Surplus/(shortfall) to general fixed chargeholders		(42,153)		
Assets available for priority creditors				
Cash		773	-	-
Other current assets		254	-	-
Funds available to priority creditors		1,027	-	-
Administrators fees				
Administrator's fees and expenses	2	-	(8,283)	(8,283)
Estimated liquidators fees and expenses	2	-	(24,000)	(30,000)
Surplus/(shortfall) to priority creditors		1,027	(32,283)	(38,283)
Shortfall to priority chargeholders				
ALC mortgage		(42,153)	-	-
Surplus/(shortfall) to general fixed chargeholders		(41,126)	(32,283)	(38,283)
Funds available to unsecured creditors				
Trade creditors and accruals		(1,796)	(1,796)	(1,796)
Total unsecured creditors		(1,796)	(1,796)	(1,796)
<i>Cents in dollar</i>		<i>0</i>	<i>0</i>	<i>0</i>
Funds available to intercompany creditors				
Intercompany loan - ALI		(2,800)	(2,800)	(2,800)
<i>Cents in dollar</i>		<i>0</i>	<i>0</i>	<i>0</i>
Estimated surplus/(shortfall)		(45,722)	(36,878)	(42,878)

Due to commercial reasons we are unable to provide full particulars of some asset values.

Notes

Note 1	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Miriwinni Eco Resort (book value includes writedown)	3,500,000		

Tricom, as the first registered mortgagee, has issued notices to ALC advising of their intention to enter into possession of this property. Tricom may take steps to realise this asset at a later date.

Note 2	Book value (\$)	Optimistic (\$)	Pessimistic (\$)
Administrator's fees and expenses	-	(8,283)	(8,283)
Estimated liquidators fees and expenses	-	(24,000)	(30,000)

The Administrators' and liquidator's remuneration is discussed in section 14 of this report. Under an optimistic scenario we have estimated that the Liquidator's fees would be 20% less.

Appendix G – Draft DOCA

Deed of Company Arrangement

Asset Loans Ltd (Administrators Appointed)

ACN 107 745 095
Company

John Lethbridge Greig and Richard John Hughes

Deed Administrators

The Clayton Utz contact for this document is
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Our reference 60072/14887/80084287

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Deed of company arrangement made at _____ on _____

Parties **Asset Loans Ltd ACN 107 745 095 (Administrators Appointed)** of c/- Level 2, 10 Marine Parade, Southport, Queensland, 4215 (**Company**)
John Lethbridge Greig and Richard John Hughes, official liquidators, of c/- Deloitte Touche Tohmatsu, Riverside Centre, 123 Eagle Street, Brisbane, Queensland, 4000 (jointly and each of them severally, called the **Administrators**)

Background

- A. By a written instrument of appointment dated 9 September 2008, the Company appointed the Administrators as joint and several administrators of the Company pursuant to section 436A of the Act.
- B. At a second meeting of creditors convened under section 439A of the Act held on 5 December 2008, the creditors of the Company resolved that the Company execute a deed of company arrangement in the form of this deed and that the Administrators be appointed deed administrators of the deed of company arrangement.
- C. The Administrators have consented to their appointment as deed administrators of this deed and have caused this deed to be prepared to set out the terms of the arrangement between the Company and its Creditors.

Operative provisions

Part 1: Preliminary

Definitions, interpretation and governing law

Definitions

In this deed:

"**Act**" means the *Corporations Act 2001* (Cth).

"**Administrators**" means John Lethbridge Greig and Richard John Hughes in their joint and several capacities as the voluntary administrators and deed administrators of the Company.

"**Admissible Claim Date**" means the day on or before which claims must have arisen if they are to be admissible under this deed, being the date (9 September 2008) on which the Administrators of the Company were appointed under Part 5.3A of the Act.

"**ASIC**" means the Australian Securities and Investment Commission.

"**ASX**" means the Australian Stock Exchange.

"**Available Assets**" means all of the assets and undertaking of the Company, including any assets subject to the security of any Secured Creditor.

"**Board**" means the board of directors of the Company.

"**Claim**" means any debt, claim or liability, present or future, certain or contingent, ascertained, or sounding in damages against the Company as at the Admissible Claim Date.

"Commencement Date" means the date on which this deed comes into operation in accordance with clause 0.

"Company" means Asset Loans Ltd ACN 107 745 095 (Administrators Appointed).

"Costs and Expenses of this deed" means:

(Preparation): all costs, charges, fees, stamp duty and expenses in connection with the preparation, approval and implementation of this deed, and of the preparation and implementation of any documents necessary as prerequisites to the approval of this deed;

(Administration): all costs, charges and expenses and all liabilities incurred by the Deed Administrators in good faith in respect of or in the performance or administration of this deed, or as a result of any actual or attempted execution or exercise, or failure to execute or exercise, any power in relation to this deed or arising from their being the administrators of this deed, including liability for any GST or tax arising under the Income Tax Law or other tax legislation, any money borrowed by them for the purposes of this deed, any interest on borrowed money, and any contracts adopted or otherwise agreed by the Deed Administrators;

(Actions): all liabilities incurred by the Deed Administrators as a result of any action, suit, proceeding, account, claim and demand arising out of or relating to this deed which may be commenced, incurred by or made on them by any person, including all liabilities incurred by them in defending any civil or criminal proceedings in which judgment is given in their favour or in which they are acquitted and against all reasonable costs, charges and expenses incurred by them in respect of this deed; and

(Remuneration): the remuneration of the Deed Administrators under clause 0.

"Court" has the meaning given to that term in Section 58AA(1) of the Act.

"Creditors" means all creditors of the Company as at the Admissible Claim Date, other than Secured Creditors. **"Committee"** means a committee of Creditors appointed in accordance with Clause 13 of this deed.

"Deed Administrators" means:

the persons named as deed administrators of this deed; and

the replacement of any one of them appointed in accordance with the Act or this deed; and

where two or more persons are so named or appointed, each administrator of this deed separately and all administrators of this deed collectively.

"Director" means a person appointed from time to time as a director of the Company.

"GST" has the meaning given to that term in the *A New Tax System (Goods and Services) Tax Act 1999* (Cth).

"Income Tax Law" means as applicable:

the *Income Tax Assessment Act 1997* (Cth);

the *Income Tax Assessment Act 1936* (Cth);

the *Taxation Administration Act 1953* (Cth); and

any other imposition, collection or subordinate legislation connected with any enactment or legislation referred to in this definition.

"Meeting" means the meeting referred to in Background paragraph B.

"Priority Claim" means the Claim of any person whose claim would be entitled to priority under section 556 of the Act if the Company were being wound up, the winding up being deemed to have commenced on the Admissible Claim Date.

"Priority Creditor" means any person having a Priority Claim.

"Proposal" means a written proposal by an interested party submitted to the Deed Administrators for restructuring the Company or a sale of its assets or both.

"Regulations" means the *Corporations Regulations 2001* (Cth) made under the Act.

"Resolution" means a resolution passed in accordance with regulation 5.6.21 of the Regulations.

"Scheduled Rates" means the rates set out in Schedule **Error! Reference source not found.**

"Secured Creditor" means any creditor of the Company holding a mortgage, charge or lien on property of the Company as security for the debt due to it from the Company.

"Term" means the period from the Commencement Date to Termination Date.

"Termination Date" means the date on which this deed terminates, whether under clauses 0, 17.2 or 0 or otherwise.

Interpretation

In this deed:

headings are for convenience only and do not affect interpretation;

words have the meaning given them by Part 1.2 of the Act; and

where any 2 or more persons are appointed as Deed Administrators:

the function or powers of the Deed Administrators may be performed or exercised by any one of them, or any 2 or more of them together, except to the extent that this deed or the resolution or instrument appointing them otherwise provides; and

the rights, benefits and obligations of the Deed Administrators under this deed, including with respect to the indemnity and lien in clause 0, are joint and several;

and unless the context indicates a contrary intention:

an obligation or a liability assumed by, or a right conferred on, 2 or more persons binds or benefits them jointly and severally;

the expression "**person**" includes an individual, the estate of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;

a reference to a party includes that party's executors, administrators, successors and permitted assigns, including persons taking by way of novation and, in the case of a trustee, includes a substituted or an additional trustee;

a reference to a document (including this deed) is to that document as varied, novated, ratified or replaced from time to time;

a reference to a statute includes its delegated legislation and a reference to a statute or delegated legislation or a provision of either includes consolidations, amendments, re-enactments and replacements;

words importing the singular include the plural (and vice versa), and words indicating a gender include every other gender;

a reference to a party, clause, schedule, exhibit, attachment or annexure is a reference to a party, clause, schedule, exhibit, attachment or annexure to or of this deed, and a reference to this deed includes all schedules, exhibits, attachments and annexures to it;

if a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;

the expression "**includes**" in any form is not a word of limitation;

a reference to "\$" or "**dollar**" is to Australian currency;

and, except as expressly provided to the contrary:

nothing in this deed will alter or be deemed to alter as between the Company and any Creditor the right of a Creditor to payment of interest up to the Admissible Claim Date in accordance with the terms of the instrument or agreement which created that debt, on any debt owed by the Company; and

nothing will alter or be deemed to alter the order of priority, either legal or equitable, of any debts owed by the Company.

Governing law

This deed is governed by and construed according to the law of Queensland.

Commencement of Arrangement

Commencement date

This deed will come into operation on the date by which the Company and the Deed Administrators have executed it.

Part 2: Administration

Exercise of function or power

A function or power of the Deed Administrators may be performed or exercised by any one of them, or by any 2 or more of them together.

Indemnity and Remuneration

Indemnity

The Deed Administrators are jointly and severally entitled to be indemnified out of the Available Assets against the Costs and Expenses of this deed, provided that the Deed Administrators shall not be entitled to an indemnity in respect of any liability to the extent that the indemnification contravenes section 199A or 199B of the Act or if the Deed Administrators have been guilty of actual fraud.

Continuing indemnity

This indemnity will take effect on and from the Commencement Date and will be without limitation as to time and will operate notwithstanding the removal of the Deed Administrators and the appointment of new Deed Administrators or the termination of this deed for any reason whatsoever.

Indemnity not to be affected or prejudiced

The indemnity under clause 0 will not:

(Irregularity): be affected, limited or prejudiced in any way by any irregularity, defect or invalidity in the appointment of the Deed Administrators and will extend to all actions, suits, proceedings, accounts, liabilities, claims and demands arising in any way out of any defect in the appointment of the Deed Administrators, the approval and execution of this deed or otherwise; or

(Other indemnity): subject to clause x, affect or prejudice all or any rights that the Deed Administrators may have against the Company or any other person to be indemnified against the Costs and Expenses of this deed.

Remuneration and reimbursement of Deed Administrators

(Remuneration): The Deed Administrators are to be remunerated from the Available Assets for work done by them, and any of their partners, agents or employees, in connection with:

the preparation, approval and execution of this deed, and the preparation and execution of any documents necessary as prerequisites to the approval of this deed; and

the administration and implementation of this deed and the exercise of their powers and discretions and the performance of their duties, obligations and responsibilities as Deed Administrators (including, for the avoidance of doubt, liaising with any parties as to the Proposals, the sale process or otherwise); and

investigating the affairs of the Company, reporting to Creditors and any Committee and convening any meeting of Creditors or any Committee,

at the Scheduled Rates.

(Reimbursement): The Deed Administrators are to be reimbursed from the Available Assets for any Costs and Expenses of this deed paid by them.

(Payments): The Deed Administrators' remuneration and reimbursement must be paid from the Available Assets monthly in arrears, although the Deed Administrators will not draw down any sums which exceed the Agreed Remuneration described in clause 4.5(a) without first seeking and obtaining approval from Creditors or any Committee to do so in accordance with clause 4.5(e).

(Resolution at Meeting): The parties acknowledge that the creditors of the Company resolved, at the Meeting, that the Deed Administrators are entitled to be remunerated at the usual rates charged from time to time by Deloitte Touche Tohmatsu calculated on an hourly basis, for the avoidance of doubt including the rates set out in Schedule 1 to this deed.

(Exceeding Estimated Remuneration): The parties acknowledge that if the Deed Administrators' actual costs and expenses exceed the Agreed Remuneration described in clause 4.5(a), then:

as stipulated in clause 4.5(c), they will not drawdown any sums which exceed the Agreed Remuneration without first ,at a meeting of Creditors or any Committee:

tabling further material and documents to Creditors or, if a Committee is appointed, the Committee to justify and explain why their actual costs and expenses exceed the Agreed Remuneration; and

obtaining approval from Creditors or, if a Committee is appointed, the Committee for the Deed Administrators to be remunerated in respect of their actual costs and expenses (to the extent those exceed the Agreed Remuneration described in clause 4.5(a)).

Deed Administrators' lien

The Deed Administrators are entitled to a lien over the Available Assets to secure the indemnity, remuneration and reimbursement provided for by clause 0.

Priority

The Deed Administrators' right of indemnity and their lien under clauses 4.1 and 0 respectively have priority over the Claims of all Creditors.

Deed Administrators not personally liable

Subject to the Act, in the performance of their duties and the exercise of their functions and powers under this deed the Deed Administrators are taken to act as agents for and on behalf of the Company. The Deed Administrators will not be personally liable for:

(Debt): any debt, liability or other obligation which the Deed Administrators may incur on behalf of the Company in the administration and implementation of this deed; or

(Loss or damage): any loss or damage caused by any act, default or omission by the Deed Administrators or on behalf of the Deed Administrators in the performance of their duties or the exercise of their functions and powers under this deed.

Resignation and replacement of Deed Administrators

Resignation

A Deed Administrator may resign by notice in writing given to the Company.

Replacement

Where a Deed Administrator:

dies; or

becomes prohibited from acting as Deed Administrator in accordance with the Act; or

resigns by notice in writing given to the Company;

the remaining Deed Administrator may convene a meeting of Creditors or any Committee in accordance with clause 0 to appoint a replacement Deed Administrator and (if appropriate) to determine the rate of remuneration to be paid to him or her.

Powers and duties of the Deed Administrators

Administer this deed

The Deed Administrators must administer this deed, and for that purpose have the powers, functions, duties and discretions conferred on them by this deed and the Act, including at their absolute discretion all of the powers set out in Schedule 8A to the Regulations.

Manage and control the Company

During the Term, the Deed Administrators will be responsible for the day to day management, control, supervision and administration of the Company's business and affairs and the administration and implementation of this deed, and the Deed Administrators will have the:

rights, powers, privileges, authorities and discretions of the members of the Company in general meeting or otherwise to the exclusion of the Company's members;

rights, powers, privileges, authorities and discretions conferred by the Company's constitution or otherwise by law on its directors and Board to the exclusion of the Directors and the Board; and

power to delegate the performance of any of their rights, powers, privileges, authorities and discretions.

Specific powers and duties

Without limiting the generality of clause 0, the Deed Administrators have the power to:

obtain any information from the Directors or any servant or agent of or adviser to the Company, the Creditors or any other person as they may require to perform their duties under this deed;

inspect all books and records of the Company as they may require to perform their duties under this deed;

make any compromise or arrangement with any Creditor or person claiming to be a Creditor or having or claiming to have any claim against the Company whereby the Company may be rendered liable;

enter upon or take possession of the property of the Company;

lease or let on hire the property of the Company;

grant options over the property of the Company on any conditions as the Deed Administrators think fit;

insure the property of the Company;

repair, renew or enlarge the property of the Company;

sell, call in, collect or convert into money the property of the Company, to apply the money in accordance with this deed and otherwise effectively and properly to carry out their duties as Deed Administrators;

administer the assets available for the payment of Claims of Creditors in accordance with the provisions of this deed and/or under the Act;

purchase, hire, lease or otherwise acquire any property or interest in property from any person;

borrow or raise money, whether secured on any or all of the property of the Company or unsecured, for any period and on any terms as the Deed Administrators think fit, and whether in substitution for any existing security or otherwise;

to commence, prosecute, defend, continue and/or otherwise take any step in any action, suit or proceeding commenced in any court or tribunal by or against the Company, in the name and on behalf of the Company or in the name of the Deed Administrators;

refer to mediation or arbitration any question affecting the Company;

pay any Secured Creditor or Priority Creditor of the Company, and any person who is the owner or lessor of property possessed, used or occupied by the Company;

convene and hold meetings of the members or Creditors of the Company or any Committee for any purpose the Deed Administrators think fit;

make interim or other distributions of the funds available for the payment of claims of Creditors as provided in this deed and/or under the Act;

appoint agents to do any business or to attend to any matter or affairs of the Company that the Deed Administrators are unable to do, or that it is unreasonable to expect the Deed Administrators to do, in person;

engage or discharge employees on behalf of the Company;

appoint solicitors, accountants or other professionally qualified persons to assist the Deed Administrators;

permit any person authorised by the Deed Administrators to operate any account in the name of the Company;

do all acts and execute in the name and on behalf of the Company all deeds, receipts and other documents, using the Company's common or official seal when necessary;

subject to the *Bankruptcy Act 1966* (Cth), to prove in the bankruptcy of any contributory or debtor of the Company or under any deed executed under that Act;

subject to the Act, to prove in the winding up of any contributory or debtor of the Company or under any deed of company arrangement executed under the Act;

draw, accept, make or endorse any bill of exchange or promissory note in the name and on behalf of the Company;

take out letters of administration of the estate of a deceased contributory or debtor, and do any other act necessary for obtaining payment of any money due from a contributory or debtor, or the estate of a contributory or debtor, that cannot be conveniently done in the name of the Company;

bring or defend an application for the winding up of the Company;

carry on the business of the Company on any terms and conditions, for any purposes and times, and in any manner as the Deed Administrators think fit, subject only to the limitations imposed by this deed;

sell any or all of the property of the Company including the whole of the business or undertaking of the Company at any time the Deed Administrators think fit, either by public auction or by private contract, and either for a lump sum, for a sum payable by instalments, or for a sum on account and to obtain a mortgage, charge or encumbrance for the balance or otherwise;

close down the whole or any part of any business of the Company;

issue shares in the Company;

enter into and complete any contract for the sale of shares in the Company;

compromise any debts or claims owed or brought by or against the Company on any terms as the Deed Administrators think fit, and take security for the discharge of any debt forming part of the property of the Company;

pay any class of Creditors in full, subject to Subdivision D of Division 6 of Part 5.6 of the Act, which for the avoidance of doubt includes section 560 of the Act, as if the references to a liquidator are references to the Deed Administrators, references to winding up are references to this deed, and with such other modifications as are necessary to give effect to this deed;

do any acts and things as are in their opinion necessary, desirable, convenient or expedient for the purpose of administering, giving effect to or implementing this deed.

Part 3: The Arrangement

Purpose

Reconstruction of the Company

The Deed Administrators are to:

seek and negotiate Proposals to reconstruct the Company with interested parties; and

investigate possible recovery actions which may be brought by the Deed Administrators and/or liquidator(s) of the Company (in the event that the Company is placed in liquidation).

Time for submission of Proposals

The time for submission of Proposals to the Deed Administrators is not to extend beyond the Termination Date.

Consideration of Proposals

Before any Proposal may be accepted, the Deed Administrators must convene a further meeting of Creditors or, if a Committee is appointed, the Committee in accordance with clause 8.4 and put the Proposal (including the Deed Administrators' recommendations in relation to same) to the meeting, together with any further deed of company arrangement (or proposed variation to this deed), creditors' trust deed or other mechanism designed to give effect to the Proposal.

Reporting and meeting requirements

The Deed Administrators are to:

within 6 months from the Commencement Date, issue a report to the Company's Creditors or, if a Committee is appointed, the Committee (**Report**) outlining:

the results of the Deed Administrators' investigations into possible recovery actions available to a liquidator of the Company (should the Company be subsequently placed into liquidation);

a summary of any Proposals received by the Deed Administrators; and

if the Deed Administrators consider a Proposal is likely to result in a better return to creditors than either a liquidation of the Company or the acceptance of any other Proposal (**Recommended Proposal**), then the Deed Administrators are to provide full details of the Recommended Proposal (including the likely return to creditors under the Recommended Proposal);

within 10 Business Days of issuing the Report, convene a meeting of Creditors or, if a Committee is appointed, the Committee to determine whether this deed should be:

varied so as to accommodate the Recommended Proposal (or any other Proposal); or

terminated and the Company placed into liquidation.

Deed Administrators' powers and duties with respect to Proposals

Without limiting the generality of clause 0, the Deed Administrators have the power to:

negotiate with any interested parties in relation to any Proposal;

investigate possible recovery actions which may be brought by the Deed Administrators and/or liquidator(s) of the Company (in the event that the Company is placed in liquidation);

call for, investigate (including the power to seek further information from Creditors), determine, compromise or otherwise deal with any Claim;

do anything that is incidental to the exercise of any power or the performance of any duties set out in this deed; and

do anything else that is necessary or convenient for the purpose of exercising their powers or performing their duties under this deed.

Property available for distribution

Subject to any variation of this deed, there will be no property of the Company available for distribution to Creditors under this deed.

Moratorium and deferral of debts

Subject to section 444D of the Act there will be a moratorium in favour of the Company from the Commencement Date until this deed is terminated for debts owing by the Company to the Creditors, and

during that moratorium a Creditor (whether the Creditor's debt or claim is or is not admitted or established under this deed) must not:

(Wind up): wind up or take or concur in any step to wind up the Company or, without limiting the generality of the foregoing, present any application for the winding up of the Company or continue to prosecute any application presented on or before the Commencement Date for the winding up of the Company;

(Institute proceedings): except for the purpose and to the extent provided in this deed, institute or prosecute any legal proceedings or continue to prosecute any legal proceedings instituted on or before the Commencement Date in relation to any debt or liability incurred or alleged to have been incurred by the Company on or before the Admissible Claim Date;

(Enforce debt): take or concur in any step or any further step for the purpose of enforcing, whether by way of legal or equitable execution or otherwise, any judgment debt owed by the Company or arbitration award against the Company at the Admissible Claim Date, or any interest on that judgment debt or award;

(Set off): exercise any right of set-off or defence, cross claim or cross action to which that Creditor would not have been entitled had the Company been wound up on the Admissible Claim Date; or

(Arbitration): commence or take any further step in any arbitration against the Company or to which the Company is a party in relation to any matter arising or occurring before the Admissible Claim Date.

Bar to claims

This deed may be pleaded by the Company against any Creditor in bar of any Claim that is subject to this deed, whether or not the Claim is admitted or established under the provisions of this deed.

Rights of secured creditors, owners and lessors

Unless otherwise expressly provided in this deed, nothing in this deed affects:

(Secured Creditor): the rights of a Secured Creditor to realise or otherwise deal with its security; or

(Owner or lessor): the rights that an owner or lessor of property in the possession of the Company or the Deed Administrators have in relation to that property.

Part 5: Administrative Matters

Committee of inspection

Appointment

If requested by a Creditor, the Deed Administrators will convene a meeting of the Creditors for the purpose of determining whether a committee of inspection should be appointed (**Committee**) and, if so, appoint the members of the Committee.

Functions

The functions of the Committee are to:

- consult with and assist the Deed Administrators in matters relating to this deed; and
- receive and consider reports by the Deed Administrators.

Rules

The following rules apply to the Committee:

- the Committee must consist of at least 1 and not more than 4 members;

each member of the Committee must be a Creditor, an attorney of a Creditor, or a person otherwise authorised in writing by a Creditor to be a member of the Committee;

the Creditors must appoint the members in a general meeting;

a Creditor is not entitled to have more than one representative (including the Creditor himself or herself, if a natural person) on the Committee;

minutes of all resolutions and proceedings of each meeting of the Committee must be made and duly entered in books to be provided from time to time for that purpose by the Deed Administrators;

if the minutes of a meeting purport to be signed by the chairperson of the meeting at which the resolutions were passed or proceedings taken or by the chairperson of the next meeting of the Committee, the minutes are *prima facie* evidence of the matters contained in them;

unless the contrary is proved, the meeting is taken to have been duly had and convened, and all resolutions passed and proceedings taken at the meeting are taken to have been duly passed and taken;

a corporation (being otherwise qualified for membership of the Committee) is not entitled to be a member of the Committee, but may appoint a person to represent it on the Committee; and

sections 548(3), 549, 550 and 551 of the Act apply, with such modifications as are necessary, to the Committee as if the references to the "liquidator" were references to the Deed Administrators and the references to contributories were deleted.

Reimbursement of certain expenses

Each member of the Committee is entitled to be reimbursed for the reasonable out-of-pocket expenses incurred by him or her in attending meetings of the Committee as may be approved from time to time by the Deed Administrators in their absolute discretion, but is not otherwise entitled to claim or receive from the Company, the Deed Administrators or the Creditors (other than the member's appointer, where applicable) any remuneration for acting as a member of the Committee. Any reimbursement of a Committee member approved under this clause 13.4 forms part of the Costs and Expenses of this deed.

Meetings

When convened

The Deed Administrators may convene a meeting of Creditors from time to time in accordance with section 445F of the Act, and must convene such a meeting when required to do so under section 445F(1)(b).

General meetings

The following provisions apply in relation to every general meeting of Creditors or, if a Committee is appointed, the Committee:

the accidental omission to give or the non-receipt of notice of meeting by any Creditor or Committee member will not invalidate the proceedings at that meeting;

that meeting will be held at a place to be decided by the Deed Administrators and chaired by one of the Deed Administrators, but if the Deed Administrators are not present within 15 minutes after the time appointed for holding the meeting, the Creditors or Committee members present will choose one of their number to chair the meeting;

a Resolution will constitute a direction to the Deed Administrators;

any Creditor or Committee member may vote by proxy or by attorney, and the holder of a proxy need not be a Creditor or Committee member; and

a Resolution to remove or replace the Deed Administrators, or to vary or terminate this deed, will not be effective unless written notice of intention to propose that resolution has been given at the same time as the notice convening the meeting.

Application of Regulations

Except to the extent (if any) that they are varied by or inconsistent with the express terms of this deed, the provisions of regulations 5.6.12 to 5.6.36A inclusive of the Regulations apply to meetings of Creditors and of the Committee (if any) formed under clause 0 with such modifications as are necessary, as if the references to the liquidator were references to the Deed Administrators.

Directors

Directors powers suspended

During the term of this deed the powers of the Directors shall be suspended save to the extent that the Directors may be permitted to exercise those powers by the Deed Administrators in writing.

The execution of this Deed does not of itself remove a Director from office.

The Deed Administrators may, in their absolute discretion, remove a Director from office.

Directors will co-operate with Deed Administrators

The Company's directors and other officers will:

use all reasonable endeavours to co-operate with and assist the Deed Administrators in carrying out their duties under this deed; and

comply immediately with all reasonable requests of the Deed Administrators in relation to the Company's business and affairs and this deed.

Part 6: Variation and Determination of this deed

Variation of this deed

This deed may be varied by a Resolution passed at a meeting of Creditors convened under clause 0, but only if the variation is not materially different from the proposed variation set out in the notice convening the meeting.

Termination of this deed

Termination generally

This deed will continue in operation until it is terminated:

by an order of the Court under section 445D of the Act; or

by a Resolution of the Creditors at a meeting convened under section 445F of the Act and in accordance with clause 0.

Meeting to determine whether to terminate

Unless a meeting of Creditors or any Committee is convened under clause 8.4(b), the Deed Administrators must upon the expiration of 6 months from the Commencement Date, convene a meeting of Creditors under section 445F of the Act or any Committee within 10 Business Days to determine whether this deed should be:

varied;

terminated and the Company placed into liquidation; or

terminated and the Company placed back in the hands of its Directors.

Determination by Deed Administrators or Committee

If the Deed Administrators or the Committee formed under clause 0 determine that it is no longer practicable or desirable either to continue to carry on the business of the Company or to implement this deed, the Deed Administrators:

may cease to carry on the business of the Company except so far as is necessary for the beneficial winding up of the Company;

must summon a meeting of:

Creditors for the purpose of passing a resolution under section 445C(b) of the Act; or

any Committee, for the purpose of passing a resolution to terminate the deed; and

must forward to each Creditor and Committee member not less than 14 days before the meeting, an up-to-date report about the position of the Company, accompanied by any financial statements as the Deed Administrators think fit, together with a statement that they do not think it practicable or desirable to carry on the business of the Company or to continue this deed, and that this deed will be terminated if the Creditors or the Committee so resolve.

Part 7: General

Effect of execution

Without limiting the operation of Part 5.3A of the Act, each party who executes this deed is bound by its terms notwithstanding the failure of any other person named as a party to execute it.

Execution of further documents

The Company, the Directors, the Creditors, the Committee (if any) and the Deed Administrators will promptly do and perform all further acts and execute and deliver all further documents (in form and in content reasonably satisfactory to that party) required by law or reasonably requested by any other party to give effect to this deed.

Costs of deed

Subject to clause 0, the Company will pay the Costs and Expenses of this deed from the Available Assets.

Inconsistency with Act

Subject to those provisions of this deed which expressly or by necessary implication exclude or vary the provisions of the Act, if there is any inconsistency between the terms of this deed and the Act then, to the extent of the inconsistency, the Act will prevail and this deed will be interpreted accordingly.

Severance

If at any time any provision of this deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that will not affect or impair:

- (a) the legality, validity or enforceability in that jurisdiction of any other provision of this deed; or
- (b) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this deed.

Notice

All notices, requests, demands, consents, approvals, agreements or other communications to or by a party to this deed:

shall be in writing addressed to the recipient at such address as the recipient may have notified the sender; and

may be signed:

if given by a natural person, by the sender, his partner or his solicitor; or

if given by a company, by a director, secretary or manager of, or solicitor for, the company.

Counterparts

This deed may be executed in any number of counterparts and all those counterparts taken together constitute one and the same instrument.

Schedule 1 Schedule of Remuneration

The Deed Administrators' remuneration for their services as administrators of this deed is to be the amount calculated as follows:

Remuneration = (Time x Firm Rates) + GST

where:

- (a) "Time" means the time actually spent by the Deed Administrators and any of their partners, agents or employees in performance of the services referred to in clause 4.5(a) (calculated in 6 minute units or part thereof); and
- (b) "Firm Rates" means the hourly rates for persons having the job description of the Deed Administrators and their partners, agents and employees performing the services referred to in clause 4.5(a). These rates are subject to change on a 6 monthly basis.

Table of Rates

Title	Hourly rate (excl GST)
Partner	\$575.00
Director	\$ 415.00
Manager	\$ 350.00
Senior Analyst	\$ 215.00
Analyst	\$ 175.00
Secretary	\$ 125.00

Executed as a deed.

Executed by **Asset Loans Ltd ACN 107 745 095 (Administrators Appointed)** by one of its Administrators in the presence of:

Signature of witness

Name of witness (block letters)

Signed sealed and delivered by John Lethbridge Greig in the presence of:

Signature of Witness

Name of Witness in full

Signed sealed and delivered by Richard John Hughes in the presence of:

Signature of Witness

Name of Witness in full

Signature of Administrator

Name of Administrator

Signature

Signature

For personal use only

Appendix H - Statements of remuneration

i. Remuneration report - ALL

Description of work completed

Company	Asset Loans Ltd (Administrators Appointed)	Period from	9/9/08	To	30/9/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets 124.4 hours \$30,749.00 (ex GST)	<p>Sale of business assets</p> <p>Assets subject to specific charges</p>	<p>Preparing confidentiality agreements, and the information memorandum relating in part to the sale of the ALL listed shell</p> <p>Reviewing and collating companies records in order to prepare the information memorandum</p> <p>Placing sale of business advertisements in newspapers</p> <p>Correspondence with directors and employees regarding potential purchasers and asset sale strategy</p> <p>Correspondence with 54 parties interested in the listed shell via telephone, emails and internal meetings regarding assets</p> <p>Preparation of due diligence pack containing details of properties, mortgages and the loan book</p> <p>All tasks associated with realising a charged asset, including review of PTQ security</p>
Creditors 58.70 hours \$20,641.50 (ex GST)	<p>Creditor inquiries</p> <p>Secured creditor updates</p> <p>Creditor reports</p> <p>Meeting of creditors</p>	<p>Receive and follow up creditor enquiries via telephone and email</p> <p>Review and preparation of correspondence to creditors and their representatives via facsimile, email and post</p> <p>Correspondence with Committee member</p> <p>General correspondence to the PTQ</p> <p>Preparing 439A report, investigations, and general circulars to creditors providing updates on administration</p> <p>Preparation of meeting notices, proxies and advertisements for the first meeting of creditors</p> <p>Holding first meeting of creditors and maintenance of attendance register and proof of debt summary</p> <p>Preparation and lodgement of minutes of meeting with ASIC</p>
Employees 1.6 hours \$344 (ex GST)	<p>General correspondence</p>	<p>Correspondence with directors regarding administration</p>

Task area	General description	Includes
Trade On 39.1 hours \$9,336.50 (ex GST)	Trade on management	Travel to/from the Gold Coast/Brisbane on various occasions Lodgement of notices on the ASX Correspondence with ALL solicitors
Investigation 70.0 hours \$12,892.00 (ex GST)	Conducting investigation	Review of ALL books and records Review of ALL company search from ASIC company database Meetings with ALC staff regarding transactions listed in ALL bank statements and MYOB, and filenotes on same Investigating directors actions to consider whether they have acted in accordance with the Act Internal meetings to discuss status of investigations and key findings
Administration 164.90 hours \$51,820.00 (ex GST)	Bank account administration ASIC forms Planning / review Taxation Appointment Other	Preparing correspondence - opening and closing accounts Requesting bank statements and account reconciliations Preparing and lodging ASIC forms including 505 Discussions regarding status of administration. Review of ALL tax position – previously lodged business activity statements with the ATO Preparation of all appointment documents and DIRRI Corresponding with unsecured noteholders via letter, email, telephone regarding the administration of ALL Corresponding with shareholders via letter, email, telephone regarding the administration of ALL

Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area							
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$	
John Greig	Partner	575	21.0	12,075.00								12,075.00
Richard Hughes	Partner	575	48.3	27,772.50	4,255.00	12,650.00		1,840.00	3,450.00			5,577.50
Peter Salter	Director	415	2.0	830.00								830.00
Joshua Taylor	Director	415	38.2	15,853.00	3,776.50	1,162.00		249.00	498.00			10,167.50
Evan Last	Director	415	0.3	124.50								124.50
Debbie Lippstreu	Manager	350	3.3	1,155.00								1,155.00
Leisa Clarke	Manager	350	6.0	2,100.00								2,100.00
Tom Hodgkinson	Senior Analyst	215	96.9	20,833.50	2,365.00	1,569.50	129.00	6,708.00	1,096.50			8,965.50
Lisa Niotakis	Senior Analyst	215	114.8	24,682.00	17,630.00	2,150.00	215.00	64.50				4,622.50
Timothy Smith	Senior Analyst	215	5.5	1,182.50								1,182.50
Andrew Stewart	Senior Analyst	215	17.1	3,676.50	860.00	2,472.50						344.00
Karina Randall	Senior Analyst	215	7.4	1,591.00								1,591.00
Vicki Bowman	Analyst	175	10.7	1,872.50								1,872.50
Nadyne Seow	Analyst	175	0.4	70.00					70.00			
Madeleine Paine	Analyst	175	12.3	2,152.50					2,152.50			
Susan Potter	Analyst	175	10.0	1,750.00	1,750.00							

Esther O'Connor	Support	125	0.2	25.00							25.00
Sarah Dye	Support	125	1.5	187.50							187.50
Adrian Larsen	Support	125	14.7	1,837.50		637.50		200.00			1,000.00
Aneesh Acharya	Support	125	3.1	387.50	112.50			275.00			
Bec Wilson	Support	125	45.0	5,625.00					5,625.00		
TOTAL				\$125,783.00	30,749.00	20,641.50	344.00	9,336.50	12,892.00	0.00	51,820.00
GST				12,578.30							
TOTAL (including GST)				\$138,361.30							
Average hourly rate					247.18	351.64	215.00	238.79	184.17		314.25

Disbursements – 9 to 30 September 2008

Disbursements are divided into three types: A, B1, B2.

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	5,416.18	541.62	5,957.80

Description of work completed

Company	Asset Loans Ltd (Administrators Appointed)	Period from	1/10/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets 114.4 hours \$26,328 (ex GST)	Sale of business assets	<p>Preparing confidentiality agreements, and the information memorandum relating in part to the sale of the ALL listed shell</p> <p>Reviewing and collating companies records in order to prepare the information memorandum</p> <p>Correspondence with 54 parties interested in via telephone, emails and internal meetings regarding assets</p> <p>Review of 5 offers received</p> <p>Preparation of due diligence pack containing details of properties, mortgages and loan book</p> <p>Hosting due diligence for 5 interested parties</p>
Creditors 4.4 hours \$1,126.00 (ex GST)	Creditor reports	Correspondence to creditors via circulars providing updates on administration, and phone calls
Trade on 24.1 hours \$4,857.50 (ex GST)	Trade on management	<p>Travel to/from the Gold Coast/Brisbane on various occasions</p> <p>Lodgement of notices on the ASX</p>
Investigation 33.8 hours \$8,752.00 (ex GST)	Conducting investigation	<p>Review of ALL books and records</p> <p>Meetings with ALC staff regarding transactions listed in ALL bank statements and MYOB, and filenotes on same</p> <p>Investigating directors actions to consider whether they have acted in accordance with the Act</p> <p>Internal meetings to discuss status of investigations and key findings</p>
Administration 146.9 hours \$34,018.00 (ex GST)	Planning / review Taxation Other	<p>Discussions regarding status of administration.</p> <p>Review of ALL tax position – previously lodged business activity statements with the ATO</p> <p>Corresponding with unsecured noteholders via letter, email, telephone regarding the administration of ALL</p> <p>Corresponding with shareholders via letter, email, telephone regarding the administration of ALL</p>

Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area							
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$	
John Greig	Partner	575	12	6,900.00								6,900.00
Richard Hughes	Partner	575	14	8,050.00	3,277.50	460.00			3,220.00			1,092.50
Margaret Moynahan	Director	415	0.3	124.50								124.50
Joshua Taylor	Director	415	7.3	3,029.50	83.00				498.00			2,448.50
Evan Last	Director	415	0.4	166.00								166.00
Leisa Clarke	Manager	350	6.9	2,415.00								2,415.00
Mel Brown	Senior Analyst	215	2.2	473.00								473.00
Matthew Bor	Senior Analyst	215	2.7	580.50	580.50							
Tom Hodgkinson	Senior Analyst	215	50.7	10,900.50	967.50			4,042.00	2,171.50			3,719.50
Lisa Niotakis	Senior Analyst	215	98.7	21,220.50	20,919.50							301.00
Timothy Smith	Senior Analyst	215	2.8	602.00								602.00
Andrew Stewart	Senior Analyst	215	4.1	881.50		516.00		365.50				
Karina Randall	Senior Analyst	215	0.4	86.00								86.00
Vicki Bowman	Analyst	175	68.1	11,917.50								11,917.50
Madeleine Paine	Analyst	175	15	2,625.00					2,625.00			
Adrian Larsen	Support/Graduate	125	3.4	425.00	25.00	150.00		62.50				187.50

Aneesh Acharya	Support/Graduate	125	4.2	525.00				387.50	37.50		100.00
Bec Wilson	Support/Graduate	125	6.4	800.00					200.00		600.00
Phillip Dalton	Support/Graduate	125	0.8	100.00							100.00
Alistair Higginbottom	Support/Graduate	125	2.5	312.50	312.50						
Jacqueline Kwok	Support/Graduate	125	1.3	162.50	162.50						
Caroline Liu	Support/Graduate	125	15.4	1,925.00							1,925.00
Munir Bhimani	Senior Analyst	215	4.0	860.00							860.00
TOTAL				\$75,081.50	26,328.00	1,126.00	-	4,857.50	8,752.00	-	34,018.00
GST				7,508.15							
TOTAL (including GST)				\$82,589.65							
Average hourly rate					230.14	255.91		201.56	258.93		231.57

Disbursements – 1 to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	3,057.28	305.73	3,363.01
B2	10,626.51	1,062.65	11,689.16

Future fees – 1 November 2008 to the end of the administration period

Company	Asset Loans Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets \$28,000.00 (ex GST)	Sale of assets Assets subject to specific charges DOCA	Correspondence with interested parties via telephone, email and fax Internal meetings to discuss/review offers received All tasks associated with realising a charged asset Draft DOCA for sale of the listed shell
Creditors \$15,000.00 (ex GST)	Creditor enquiries	Receive and follow up creditor enquiries via telephone, email and fax Prepare section 439a report and attachments Review and prepare correspondence to creditors Prepare and attend meeting of creditors
Employees		
Trade on \$6,000.00 (ex GST)		Travel to/from the Gold Coast/Brisbane on various occasions
Investigations \$12,000.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review circumstances surrounding acquisition of property
Dividend		
Administration \$19,000.00 (ex GST)	ASIC forms ATO reporting Books and records/storage Planning/review	Prepare and lodge ASIC forms Preparing BAS Sending files to storage Regular planning discussions and maintenance of checklists for the administration of ALC Uploading general correspondence onto the Deloitte website Review of company mail
TOTAL FUTURE FEES \$80,000.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$80,000.00 (excluding GST and disbursements).

Future fees – DOCA period

Company	Asset Loans Ltd (Subject to Deed of Company Arrangement)	Period	The DOCA process
Practitioner	Richard Hughes & John Greig		
Administration type	DOCA		

Task area	General description	Includes
Assets \$150,000.00 (ex GST)	DOCA Assets subject to specific charges	Undertake a marketing campaign for the listed shell Liaising with the auditors to recapitalise the listed shell Liaising with solicitors with respect to executing and fulfilling the DOCA deed Negotiate with interested parties with respect to the sale Correspondence with the ASX via telephone, email and fax regarding the recapitalisation process All tasks associated with realising a charged asset
Creditors \$40,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations		
Dividends \$10,000.00 (ex GST)	Processing proofs of debt Dividend procedures	Maintain POD register Adjudicating on PODs received Remitting monies to secured creditor Preparation of distribution
Administration \$110,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding DOCA strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$300,000.00 (ex GST)		

Total future fees for the DOCA process will be capped at \$300,000.00 (excluding GST and disbursements).

Future fees – liquidation period

Company	Asset Loans Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets \$5,000.00 (ex GST)	Debtors	Review and potential recovery of intercompany loans
Creditors \$30,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$10,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations, legal proceedings Preparing statutory investigation reports
Dividends \$5,000.00 (ex GST)	Processing proofs of debt Dividend procedures	Maintain POD register Adjudicating on PODs received Advertisement of intention to declare a dividend Preparation of distribution
Administration \$10,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$60,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$60,000.00 (excluding GST and disbursements).

15.2 Remuneration report – ALC

Remuneration report part 1: Description of work completed

Company	Asset Loan Co Pty Ltd (Administrators Appointed)	Period from	9/9/08	To	30/9/08
Practitioner	John Greig & Richard Hughes				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets 104.9 hours \$63,961.50 (excl GST)	Sale of business assets	<p>Preparing confidentiality agreements, and the information memorandum relating in part to the sale of ALC assets</p> <p>Reviewing and collating companies records in order to prepare the information memorandum</p> <p>Placing sale of business advertisements in newspapers</p> <p>Correspondence with directors and employees regarding potential purchasers and asset sale strategy</p> <p>Correspondence with 54 interested parties via telephone, emails and internal meetings regarding assets, in particular, liaising with JAG, the PTQ and Prudentia on the Bowen Marina Project</p> <p>Preparation of due diligence pack containing details of properties, mortgages and the loan book</p>
	Plant and equipment	Liaising with staff, valuers and auctioneers, and review of ALC fixed asset registers
	Sale of real property	Liaising with real estate agents and their solicitors regarding the sale of ALC loan book mortgaged properties
	Assets subject to specific charges	All tasks associated with realising a charged asset, including review of PTQ security
	Debtors	<p>Correspondence with debtors advising of our appointment as administrators and detailed discussions with staff and borrowers regarding the recoverability of loans</p> <p>Reconciliation of the ALC loan book, liaising with staff and our solicitors on same. This involved a detailed review of the loan book security documents</p> <p>General correspondence and meetings with previous ALC loan book borrowers who have claims against ALC directors</p>
Creditors 26.4 hours \$7,296.00 (excl GST)	Creditor inquiries	<p>Receive and follow up creditor enquiries via telephone and email</p> <p>Review and preparation of correspondence to creditors and their representatives via facsimile, email and post</p> <p>Correspondence with Committee members</p>
	Secured creditor updates	<p>General correspondence to the PTQ</p> <p>Attending to noteholder queries</p>
	Creditor reports	Preparing 439A report, investigations, and general circulars to creditors providing updates on administration
	Meeting of creditors	Preparation of meeting notices, proxies and advertisements for the first meeting of creditors

Task area	General description	Includes
		<p>Holding first meeting of creditors and maintenance of attendance register and proof of debt summary</p> <p>Preparation and lodgement of minutes of meeting with ASIC</p>
Employees 11.7 hours \$4,459.50 (excl GST)	Employees enquiry	<p>Preparation of letters to employees advising them of their termination</p> <p>General correspondence with employees regarding entitlements, ad hoc employment arrangements and payment of wages on same</p> <p>Review of employee entitlements</p>
Trade on 1.7 hours \$464.50 (excl GST)	Trade on issues	<p>Authorising purchase orders for webmasters – redirection of company website to Deloitte homepage</p> <p>Discussions with other creditors, and drafting of purchase orders on same</p>
Investigation 3 hours \$1,245.00 (excl GST)	Conducting investigation	<p>Review of ALC books and records</p> <p>Review of ALC company search from ASIC company database</p> <p>Meetings with ALC staff regarding transactions listed in bank statements and MYOB, and filenotes on same</p>
Administration 24.4 hours \$9,806.00 (excl GST)	<p>Bank account administration</p> <p>ASIC forms</p> <p>ATO & other statutory reporting</p> <p>Planning / review</p> <p>Books and records / storage</p>	<p>Correspondence to banks requesting they open/close bank accounts</p> <p>Correspondence with banks requesting copies of bank statements</p> <p>Preparation of director letters and RATAs, and correspondence with the directors on same</p> <p>Preparing and lodging ASIC forms including Form 505</p> <p>Lodgement of announcements on the ASX</p> <p>Correspondence with ASIC regarding statutory forms</p> <p>Review of previous and outstanding ATO business activity statements</p> <p>Notifying ATO of our appointment</p> <p>Regular planning discussions and maintenance of checklists for the administration of ALC</p> <p>Travel to/from Brisbane to the Gold Coast on various occasions</p> <p>Review of ALC book and records, and discussions with staff on the location of documents, computer passwords and office security</p>

Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area							
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$	
Richard Hughes	Partner	575	53.60	30,820.00	26,507.50	1,035.00	3,105.00	172.50				
Joshua Taylor	Director	415	72.10	29,921.50	27,348.50	2,573.00						
Paul Black	Director	415	20.00	8,300.00								8,300.00
Jason Forsyth	Director	415	23.00	9,545.00	8,300.00				1,245.00			
Dennis Lin	Director	415	2.80	1,162.00								1,162.00
Tom Hodgkinson	Senior Analyst	215	25.10	5,396.50	903.00	2,515.50	1,354.50	279.50				344.00
Andrew Stewart	Senior Analyst	215	2.00	430.00	430.00							
Susan Potter	Analyst	175	2.70	472.50	472.50							
Madeleine Paine	Analyst	175	6.70	1,172.50		1,172.50						
Aneesh Acharya	Support	125	0.10	12.50				12.50				
TOTAL				\$87,232.50	63,961.50	7,296.00	4,459.50	464.50	1,245.00	-		9,806.00
GST				8,723.25								
TOTAL (including GST)				\$95,955.75								
Average hourly rate					453.95	276.36	381.15	273.24	415.00			401.89

Disbursements - 9 to 30 September 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	3,886.70	388.67	4,275.37

Description of work completed

Company	Asset Loans Co Pty Ltd (Administrators Appointed)	Period from	1/10/08	To	31/10/08
Practitioner	John Greig & Richard Hughes				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets 116.20 hours \$52,079.00 (excl GST)	<p>Sale of business assets</p> <p>Plant and equipment</p> <p>Sale of real property</p> <p>Debtors</p>	<p>Sending confidentiality deeds and information memorandums to interested parties, and maintenance of expression of interest register</p> <p>Reviewing and collating companies records in order to prepare the information memorandum</p> <p>Correspondence with 54 interested parties via telephone, emails and internal meetings regarding assets, in particular, liaising with JAG, the PTQ and Prudentia on the Bowen Marina Project</p> <p>Review of 5 offers received</p> <p>Preparation of due diligence pack containing details of properties, mortgages and the loan book</p> <p>Hosting of due diligence sessions for 5 interested parties</p> <p>Liaising with staff, valuers and auctioneers regarding ALC loan book properties</p> <p>Liaising with real estate agents and their solicitors regarding the sale of ALC loan book mortgaged properties</p> <p>Detailed discussions with staff and borrowers regarding the recoverability of loans</p> <p>Continued review of loan book security documents</p> <p>General correspondence and meetings with previous ALC loan book borrowers who have claims against ALC directors</p>
Creditors 42.8 hours \$11,010.00 (excl GST)	<p>Creditor inquiries</p> <p>Creditor reports</p>	<p>Receive and follow up creditor enquiries via telephone and email</p> <p>Review and preparation of correspondence to creditors and their representatives via facsimile, email and post</p> <p>Correspondence with Committee members</p> <p>Preparing 439A report, investigations, and general circulars to creditors providing updates on administration</p>
Employees 1.8 hours \$387.00 (excl GST)	<p>Employees enquiry</p>	<p>General correspondence with employees regarding entitlements, ad hoc employment arrangements and payment of wages on same</p>
Trade on 0.3 hours \$37.50 (excl GST)	<p>Trade on issues</p>	<p>Internal correspondence</p>

Task area	General description	Includes
Investigation 3.7 hours \$1,803.50 (excl GST)	Conducting investigation	Review of ALC books and records and discussions with staff on same
Administration 46.9 hours \$12,135.50 (excl GST)	Bank account administration ATO & other statutory reporting Insurance Planning / review Other	Correspondence with banks requesting they open bank accounts Continued review of ALC tax position Correspondence with insurance company Regular planning discussions and maintenance of checklists for the administration of ALC Uploading general correspondence onto the Deloitte website Sourcing ALC for pre appointment discovery requests Review of company mail Correspondence with local councils

Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Richard Hughes	Partner	575	57.1	32,832.50	28,922.50	1,897.50			1,610.00		402.50
Joshua Taylor	Director	415	50.9	21,123.50	19,505.00	1,618.50					
Paul Black	Director	415	0	-							
Jason Forsyth	Director	415		-							
Dennis Lin	Director	415	9	3,735.00							3,735.00
Tom Hodgkinson	Senior Analyst	215	80.1	17,221.50	1,849.00	6,794.00	387.00		193.50		7,998.00
Andrew Stewart	Senior Analyst	215	0	-							
Susan Potter	Analyst	175	10.3	1,802.50	1,802.50						
Madeleine Paine	Analyst	175	4	700.00		700.00					
Aneesh Acharya	Analyst	125	0	-							
Emma Brown	Analyst	125	0.3	37.5				37.5			
TOTAL				\$77,452.50							
					52,079.00	11,010.00	387.00	37.5	1,803.50	-	12,135.50
GST				7,745.25							
TOTAL (including GST)				\$85,197.75							
Average hourly rate					448.18	257.24	215.00	125	487.43		258.75

Disbursements - 1 to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A			
Clayton Utz Lawyers	12,498.59	1,249.86	13,748.45
Mallesons Stephen Jaques	14,916.70	1,491.67	16,408.37
Colliers International	33,827.20	3,382.72	37,209.92
Jackson Lalic Lawyers	663.00	66.30	729.30
			<hr/> 68,096.04
B1	3,926.45	392.65	4,319.10
B2	3,539.10	353.91	3,893.01

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Future fees – 1 November 2008 to the end of the administration period

Company	Asset Loan Co Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets \$28,000.00 (ex GST)	Debtors Sale of assets Assets subject to specific charges	ALC loan book realisations which may include mortgagee in possession, litigation, enforcing caveats, settlement negotiations, tracing assets/debtors and reviewing loan files Correspondence with interested parties via telephone, email and fax Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$15,000.00 (ex GST)	Creditor enquiries	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors
Employees \$2,000.00 (ex GST)	Entitlements	Employee entitlement calculations Employment contract review
Trade on \$4,000.00 (ex GST)		
Investigations \$17,000.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review circumstances surrounding acquisition of properties
Dividend		
Administration \$24,000.00 (ex GST)	ASIC forms ATO reporting Books and records/storage Planning/review	Prepare and lodge ASIC forms Review and prepare BAS for pre-appointment Sending files to storage Regular planning discussions and maintenance of checklists for the administration of ALC Uploading general correspondence onto the Deloitte website Review of company mail
TOTAL FUTURE FEES \$90,000.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$90,000.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Asset Loan Co Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets \$110,000.00 (ex GST)	Debtors Sale of assets Assets subject to specific charges	ALC loan book realisations which may include mortgagee in possession sales, litigation, enforcing caveats, settlement negotiations, tracing assets/debtors and reviewing loan files Other asset reviews Correspondence with interested parties, real estate agents, councils and valuers via telephone, email and fax Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$30,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees \$6,000.00 (ex GST)		Ongoing liaising with employees Liaising with GEERS regarding entitlements Payment of employee entitlements
Investigations \$30,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations, legal proceedings Preparing statutory investigation reports
Dividends \$10,000.00 (ex GST)	Processing proofs of debt Dividend procedures	Maintain POD register Adjudicating on PODs received Advertisement of intention to declare a dividend Preparation of distribution
Administration \$14,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage

Task area	General description	Includes
TOTAL FUTURE FEES \$200,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$200,000.00 (excluding GST and disbursements).

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15.3 Remuneration report - ALI

Description of work completed

Company	Asset Loan Investments Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets 6.1 hours \$1,311.50 (ex GST)	Sale of business assets	Phone calls and emails to/from interested parties. Phone calls and emails to the secured creditors regarding sale process strategy and updates. Internal meetings regarding sale process strategy Review of offers received
Creditors 6.6 hours \$2,643.00 (ex GST)	Creditor enquiries	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors
Employees		
Trade on		
Investigation 7.2 hours \$1,400.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review of property acquisition
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area							
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$	
Richard Hughes	Partner	575	2.9	1,667.50		1667.5						
Joshua Taylor	Director	415	0.9	373.50		373.5						
Tom Hodgkinson	Senior Analyst	215	9.6	2,064.00	1,311.50				752.5			
Andrew Stewart	Senior Analyst	215	2.8	602.00		602						
Madeleine Paine	Analyst	175	3.7	647.50					647.5			
TOTAL				5,354.50	1,311.50	2,643.00	-	-	1,400.00	-	-	
GST				535.45								
TOTAL (including GST)				535.45								
Average hourly rate					215.00	400.45			194.44			

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Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	226.68	22.67	249.35

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Future fees – 1 November 2008 to the end of the administration period

Company	Asset Loan Investments Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets \$4,000.00 (ex GST)	Sale of assets Assets subject to specific charges	Correspondence with interested parties, real estate agents and valuers via telephone, email and fax Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$2,000.00 (ex GST)	Creditor enquiries	Receive and follow up creditor enquiries via telephone, email and fax Prepare and attend creditors meeting Review and prepare correspondence to creditors Prepare section 439a report
Employees		
Trade on		
Investigations \$2,000.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review circumstances surrounding acquisition of property
Dividend		
Administration \$2,000.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$10,000.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$10,000.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Asset Loan Investments Pty Ltd (In Liquidation) (Receivers and Managers Appointed)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets \$24,000.00 (ex GST)	Sale of assets Assets subject to specific charges	Correspondence with interested parties, real estate agents, councils and valuers via telephone, email and fax Correspondence with the Receivers and Managers regarding the sale process Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$8,000.00 (ex GST)	Creditor enquiries	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors
Trade on		
Employees		
Investigations \$12,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations, legal proceedings Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$15,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$60,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$60,000.00 (excluding GST and disbursements).

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15.4 Remuneration report - Miriwinni

Description of work completed

Company	Miriwinni Developments Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 9 hours \$1,635.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review of property acquisition
Dividends		
Administration 3.7 hours \$647.50 (ex GST)	Contract review	Correspondence to banks regarding new and old accounts ATO notification

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.5	322.50					322.50		
Adrian Larsen	Analyst	175	7.5	1,312.50					1,312.50		
Madeleine Paine	Analyst	175	3.7	647.50							647.50
TOTAL				2,282.50					1,635.00		647.50
GST				228.25							
TOTAL (including GST)				2,510.75							
Average hourly rate									181.67		175.00

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: A, B1, B2.

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	25.88	2.59	28.47

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Future fees – 1 November 2008 to the end of the administration period

Company	Miriwinni Developments Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets \$2,000.00 (ex GST)	Sale of assets Assets subject to specific charges	Correspondence with interested parties, real estate agents and valuers via telephone, email and fax Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$1,000.00 (ex GST)	Creditor reports	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$2,000.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review circumstances surrounding acquisition of property
Dividend		
Administration \$1,000.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$6,000.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$6,000.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Miriwinni Developments Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets \$14,000.00 (ex GST)	Sale of assets Assets subject to specific charges	Correspondence with interested parties, real estate agents and valuers via telephone, email and fax regarding the sale of the property Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$3,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$5,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends 5 hours \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration 40 hours \$7,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$30,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$30,000.00 (excluding GST and disbursements).

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15.5 Remuneration report - Gallipoli

Description of work completed

Company	Gallipoli Developments Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 6 hours \$1,142.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review of property acquisition
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	2.3	494.50					494.50		
Madeleine Paine	Analyst	175	3.7	647.50					647.50		
TOTAL				1,142.00					1,142.00		
GST				114.20							
TOTAL (including GST)				1,256.20							
Average hourly rate									190.33		

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	40.58	4.06	44.64

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Future fees – 1 November 2008 to the end of the administration period

Company	Gallipoli Developments Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets \$2,000.00 (ex GST)	Sale of assets Assets subject to specific charges	Correspondence with interested parties, real estate agents and valuers via telephone, email and fax Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$1,000.00 (ex GST)	Creditor reports	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$2,000.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements Review circumstances surrounding acquisition of property
Dividend		
Administration \$1,000.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$6,000.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$6,000.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Gallipoli Developments Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets \$14,000.00 (ex GST)	Sale of assets Assets subject to specific charges	Correspondence with interested parties, real estate agents and valuers via telephone, email and fax in relation to the Port Kembla property Internal meetings to discuss/review offers received All tasks associated with realising a charged asset
Creditors \$3,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$5,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received Advertisement of intention to declare a dividend
Administration 40 hours \$7,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$30,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$30,000.00 (excluding GST and disbursements).

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15.6 Remuneration report - ALRL

Description of work completed

Company	AL Retirement Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigations 5.6 hours \$1,056.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.9	408.50					408.50		
Madeleine Paine	Analyst	175	3.7	647.50					647.50		
TOTAL				1,056.00					1,056.00		
GST				105.60							
TOTAL (including GST)				1,161.60							
Average hourly rate									188.57		

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	36.58	3.66	40.24

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Future fees – 1 November 2008 to the end of the administration period

Company	AL Retirement Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditor report	Prepare and attend creditor meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	AL Retirement Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets		
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$6,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

15.7 Remuneration report – Asset Life

Description of work completed

Company	Asset Life Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 5.4 hours \$965.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	0.5	107.50					107.50		
Adrian Larsen	Analyst	175	2.4	420.00					420.00		
Madeleine Paine	Analyst	175	2.5	437.50					437.50		
TOTAL				965.00					965.00		
GST				96.50							
TOTAL (including GST)				1,061.50							
Average hourly rate									178.70		

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Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	31.88	3.19	35.07

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Future fees – 1 November 2008 to the end of the administration period

Company	Asset Life Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditors report	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Asset Life Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets		
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$6,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

15.8 Remuneration report - ALD

Description of work completed

Company	Asset Loan Development Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 3.9 hours \$ 738.50 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB Summarised financial statements
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.4	301.00					301.00		
Madeleine Paine	Analyst	175	2.5	437.50					437.50		
TOTAL				738.50					738.50		
GST				73.85							
TOTAL (including GST)				812.35							
Average hourly rate									189.36		

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	25.88	2.59	28.47

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Future fees – 1 November 2008 to the end of the administration period

Company	Asset Loan Developments Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditor report	Prepare and attend creditor meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Asset Loan Developments Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets		
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$6,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

15.9 Remuneration report – Cal Dev

Description of work completed

Company	Cal Dev Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 5 hours \$927.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.3	279.50					279.50		
Madeleine Paine	Analyst	175	3.7	647.50					647.50		
TOTAL				927.00					927.00		
GST				92.70							
TOTAL (including GST)				1,019.70							
Average hourly rate									185.40		

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	30.58	3.06	33.64

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Future fees – 1 November 2008 to the end of the administration period

Company	Cal Dev Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditors report	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Cal Dev Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets \$1,000.00 (ex GST)	Debtors	Reviewing and assessing debtor ledgers Other asset reviews
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$5,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

15.10 Remuneration report - HBMM

Description of work completed

Company	Hervey Bay Marina Motel Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 3.8 hours \$717.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividends		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.3	279.50					279.50		
Madeleine Paine	Analyst	175	2.5	437.50					437.50		
TOTAL				717.00					717.00		
GST				71.70							
TOTAL (including GST)				788.70							
Average hourly rate									188.68		

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	24.88	2.49	27.37

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Future fees – 1 November 2008 to the end of the administration period

Company	Hervey Bay Marina Motel Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditors report	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Hervey Bay Marina Motel Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets		
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$6,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

15.11 Remuneration report - IBL

Description of work completed

Company	Instant Business Loans Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 5.4 hours \$1,013.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.7	365.50					365.5		
Madeleine Paine	Analyst	175	3.7	647.50					647.5		
TOTAL				\$1,013.00					1,013.00		
GST				\$101.30							
TOTAL (including GST)				\$1,114.30							
Average hourly rate									187.59		

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Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	34.58	3.46	38.04

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Future fees – 1 November 2008 to the end of the administration period

Company	Instant Business Loans Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditors report	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Instant Business Loans Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets		
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$6,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

15.12 Remuneration report - Laidley

Description of work completed

Company	Laidley Properties Pty Ltd (Administrators Appointed)	Period from	9/09/08	To	31/10/08
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors		
Employees		
Trade on		
Investigation 3.8 hours \$717.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividends		
Administration		

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Calculation of remuneration

Employee	Position	\$/hour (ex GST)	Total actual hours	Total (\$)	Task area						
					Assets hrs \$	Creditors hrs \$	Employees hrs \$	Trade on hrs \$	Investigation hrs \$	Dividend hrs \$	Administration hrs \$
Tom Hodgkinson	Senior Analyst	215	1.3	279.50					279.50		
Madeleine Paine	Analyst	175	2.5	437.50					437.50		
TOTAL				717.00					717.00		
GST				71.70							
TOTAL (including GST)				788.70							
Average hourly rate									188.68		

Disbursements – 9 September to 31 October 2008

Disbursements are divided into three types: **A, B1, B2.**

- A** disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.
- B1** disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2** disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Type of disbursement	\$ Value for month	GST	Total
A	-	-	-
B1	-	-	-
B2	24.88	2.49	27.37

Future fees – 1 November 2008 to the end of the administration period

Company	Laidley Properties Pty Ltd (Administrators Appointed)	Period from	1/11/08	To	End of the administration
Practitioner	Richard Hughes & John Greig				
Administration type	Voluntary Administration				

Task area	General description	Includes
Assets		
Creditors \$1,000.00 (ex GST)	Creditors report	Prepare and attend creditors meeting Prepare section 439a report
Employees		
Trade on		
Investigations \$1,250.00 (ex GST)	Conducting investigation	Reviewed bank statements and MYOB. Summarised financial statements.
Dividend		
Administration \$1,250.00 (ex GST)	ASIC forms ATO reporting Books and records/storage	Prepare and lodge ASIC forms Preparing BAS Sending files to storage
TOTAL FUTURE FEES 20.0 hours \$3,500.00 (ex GST)		

Total future fees for the period 1 November 2008 to the end of the administration will be capped at \$3,500.00 (excluding GST and disbursements).

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Future fees – liquidation period

Company	Laidley Properties Pty Ltd (In Liquidation)	Period	The liquidation process
Practitioner	Richard Hughes & John Greig		
Administration type	Liquidation		

Task area	General description	Includes
Assets		
Creditors \$4,000.00 (ex GST)	Creditor enquiries Dealing with proofs of debt	Receive and follow up creditor enquiries via telephone, email and fax Review and prepare correspondence to creditors Receipting and reviewing PODs
Trade on		
Employees		
Investigations \$6,000.00 (ex GST)	Conducting investigation Examinations ASIC reporting	Reviewed bank statements and MYOB, and other company books and records Discussions with directors regarding company transactions Preparation of investigation file Potential preparation of briefs to solicitors, liaising with solicitors regarding public examinations Preparing statutory investigation reports
Dividends \$1,000.00 (ex GST)	Processing proofs of debt	Maintain POD register Adjudicating on PODs received
Administration \$4,000.00 (ex GST)	Document maintenance/ file review/ checklist Insurance ASIC forms Deregistration Books and records/ storage	File updates and review of internal checklists Internal meetings regarding liquidation strategy Correspondence with insurer regarding potential and ongoing insurance requirements Lodgement of various forms with ASIC Notifying ATO, ASIC of intention to deregister company Dealing with records in storage
TOTAL FUTURE FEES \$15,000.00 (ex GST)		

Total future fees for the liquidation process will be capped at \$15,000.00 (excluding GST and disbursements).

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Appendix I - Creditor information sheet

Approving remuneration in external administrations

If a company is in financial difficulty, it can be put under the control of an independent insolvency administrator. Such a person is called a 'liquidator' or a 'voluntary administrator' or an 'administrator of a deed of company arrangement' depending on the type of administration involved. For the purposes of this guide, we use the collective word 'administrator'.

This information sheet gives general information for creditors on the approval of an administrator's fees in a liquidation, a voluntary administration or a deed of company arrangement (other forms of insolvency administration are beyond the scope of this information sheet). It outlines the rights that creditors have in the approval process.

Work undertaken by administrators

The work undertaken by administrators depends on the type of administration concerned and the issues that need to be resolved. Some issues are straightforward, while others are more complex.

However, what is common amongst all administration types is that an administrator is, by law, required to undertake a number of tasks which may not directly benefit creditors (for example, the preparation of reports to the Australian Securities and Investments Commission or the preparation of six monthly receipts and payments). An administrator is still entitled to remuneration for undertaking these statutory tasks.

For more information on the tasks involved in different administrations, see ASIC's information sheets: 'Liquidation: a guide for creditors' and 'Voluntary administration: a guide for creditors'.

Entitlement to fees and costs

An administrator is entitled:

- to be paid reasonable *fees*, or remuneration, for the work they perform, once these fees have been approved by a creditors' committee, creditors or a court, and
- to be reimbursed for out-of-pocket *costs* incurred in performing their role (these costs do not need creditors' committee, creditor or court approval).

Administrators are entitled to an amount of fees for the necessary work that they and their staff properly perform in the administration.

Out-of-pocket costs that are commonly reimbursed include:

- legal fees
- valuer's, real estate agent's and auctioneer's fees
- trading costs involved in running the company's business during the administration (e.g. for the purchase of stock)
- stationery, photocopying, telephone and postage costs
- retrieval costs for recovering the company's computer records, and
- storage costs for the company's books and records.

Creditors have a direct interest in the level of fees and costs, as the administrator will, generally, be paid from the company's available assets before any payments to creditors are made. If there are not enough assets, the administrator may arrange for a third party, for example another creditor, to pay any shortfall. As a creditor, you should receive details of such arrangements.

If there are not enough assets to pay the fees and costs, and there is no third party payment arrangement, any shortfall is not paid and the administrator is in effect 'out of pocket'.

Calculation of fees

Fees of an administrator may be calculated using one of a number of different methods, such as:

- on the basis of *time spent* by the administrator and their staff, according to hourly rates,
- a quoted *fixed fee*, based on an estimate of the costs, or
- a *percentage*, usually of asset realisations.

Charging on the basis of time spent is the most common method. Administrators have a scale of hourly rates, with different rates for each category of staff working on the administration, including the administrator.

If the administrator intends to charge on a time basis, you should receive a copy of these hourly rates before the administrator requests approval of their fees.

The administrator and their staff will record the time taken for the various tasks involved, and a record will be kept of the nature of the work performed.

It is important to realise that administrators are professionals who are required to have accounting qualifications and maintain up-to-date knowledge of accounting, business and legal issues. They have serious responsibilities under the law. Their hourly rates and those of their qualified staff reflect this.

The hourly rates do not represent an hourly wage for the administrator and their staff. The administrator is running a business—an insolvency practice—and the hourly rates will be based on the cost of running the business, including overheads such as rent for business premises, utilities, wages and superannuation for staff who are not charged out at an hourly rate (such as personal assistants), information technology support, office equipment and supplies, insurances, and taxes with allowance then made for profit.

Many of the costs of running an insolvency practice are fixed costs that must be paid, even if there are insufficient assets available to pay the administrator for their services.

These are all matters that committee members or creditors should be aware of when considering the fees presented. However, regardless of these matters, creditors have a right to question the administrator about the fees and whether the rates are negotiable.

It is up to the administrator to justify why the method chosen for calculating fees is an appropriate method for the particular administration. As a creditor, you also have a right to question the administrator about the calculation method used and how the calculation was made.

Report on proposed fees

In order to seek approval of fees, the administrator must hold a meeting of the members of any committee of creditors, or, if there is no committee, the creditors themselves. A report must be sent, with the notice of meeting, setting out:

information that will enable the committee members/creditors to make an informed assessment of whether the proposed fees are reasonable

a summary description of the major tasks performed, or to be performed, and

the costs associated with each of these tasks.

The report should also provide a summary of out-of-pocket costs incurred or expected to be incurred.

Committee members/creditors may be asked to approve fees for work already performed or fees based on an estimate of work yet to be carried out.

If the work is yet to be carried out, it is advisable for creditors to set a maximum limit ('cap') on the amount that the administrator may receive. For example, 'future fees are approved calculated on hours worked at the rates charged (as set out in the provided rate scale) up to a cap of \$X'. If the work involved then exceeds this figure, the administrator will have to ask the creditors' committee/creditors to approve a further amount of fees, after accounting for the fees already incurred.

Who may approve fees

Who may approve fees depends on the type of external administration: see Table 1. The administrator must provide sufficient information to enable the creditors' committee, the creditors or the court to make an informed assessment as to whether the fees are reasonable.

Table 1: Who may approve fees

	Creditors' committee	Creditors	Court
Administrator in a voluntary administration	✓ ¹	✓ ²	✓ ³
Administrator of a deed of company arrangement	✓ ¹	✓ ²	✓ ³
Creditors' voluntary liquidator	✓ ¹	✓ ⁴	✗ ⁵
Court-appointed liquidator	✓ ^{1, 6}	✓ ^{2, 6}	✓ ³

¹ If there is one.

² If there is no creditors' committee or the committee fails to approve the fees.

³ If there is no approval by creditors.

⁴ If there is no creditors' committee.

⁵ Unless an application is made for a fee review.

⁶ If insufficient creditors turn up to the meeting called by the liquidator to approve fees, the liquidator is entitled to be paid up to a maximum of \$5,000, or more if specified in the *Corporations Regulations 2001*.

Creditors' committee approval

If there is a creditors' committee, members are chosen by a vote of creditors as a whole. In approving the fees, it is important that the members realise that they represent all the creditors, not just their own individual interests.

A creditors' committee will generally only be set up where there are a large number of creditors. If there is one, then they will ask the committee to approve their fees.

A creditors' committee makes its decision by a majority in number of its members present in person at a meeting, but it can only act if a majority of its members attend.

If you would like to know more about creditors' committees and how they are formed, see ASIC's information sheets: 'Liquidation: a guide for creditors', 'Voluntary administration: a guide for creditors' and 'Insolvency: a glossary of terms'.

Creditors' approval

Creditors approve fees by passing a resolution at a creditors' meeting. The vote requires a simple majority of creditors present and voting, in person or by proxy, indicating that they agree to the resolution. Unlike committee members, creditors may vote according to their individual interests.

If a 'poll' is taken at the meeting (that is, rather than a vote being decided on the voices or by a show of hands, a count of each vote and its value is taken), a majority in number and value of creditors present and voting must agree. A poll requires the votes of each creditor to be recorded.

A proxy is a document whereby a creditor appoints someone else to represent them at a creditors' meeting and to vote on their behalf. A proxy can be either a general proxy or a special proxy. A general proxy allows the person holding the proxy to vote how they want on a resolution, while a special proxy directs the proxy holder to vote in a particular way.

A creditor will sometimes appoint the administrator as a proxy to vote on the creditor's behalf. An administrator, their partners or staff must not use a general proxy to vote on approval of their fees; they must hold a special proxy in order to do this. They must vote all special proxies as directed, even those against approval of their fees.

Deciding if fees are reasonable

If you are asked to approve an amount of fees either as a committee member or by resolution at a creditors' meeting, your task is to decide if that amount of fees is reasonable, given the work carried out in the administration and the results of that work.

The IPA's Code of Professional Practice: Remuneration outlines the steps administrators should take to make sure they fulfil their responsibilities to creditors when asking creditors to approve fees, including when those creditors are acting in their capacity as committee members. This guide is available on the IPA website at www.ipaa.com.au

If you need more information about fees than is provided in the administrator's report, you should let them know before the meeting at which fees will be voted on.

What can you do if you think the fees are not reasonable?

If you do not think the fees being claimed are reasonable, you should raise your concerns with the administrator. It is your decision whether to vote in favour of, or against, a resolution to approve fees.

Generally, if fees are approved by a creditors' committee/creditors and you wish to challenge this decision, you may apply to the court and ask the court to review the fees. Special rules apply to court liquidations.

You may wish to seek your own legal advice if you are considering applying for a court review of the fees.

Reimbursement of out-of-pocket costs

An administrator should be very careful incurring costs that must be paid from the administration - as careful as if they were incurring the expenses on their own behalf. Their report on fees sent to creditors should also include information on the out-of-pocket costs of the administration.

If you have questions about any of these costs, you should ask the administrator and, if necessary, bring it up at a creditors' committee/creditors' meeting. If you are still concerned, you have the right to ask the court to review the costs.

Queries and complaints

You should first raise any queries or complaints with the administrator. If this fails to resolve your concerns, including any concerns about their conduct, you can lodge a complaint with the IPA at www.ipaa.com.au or write to:

Complaints Manager
IPA
GPO Box 3921
SYDNEY NSW 2001

You can also contact ASIC at www.asic.gov.au, or write to:

Manager National Assessment & Action
ASIC
GPO Box 9827
IN YOUR CAPITAL CITY

Complaints against companies and their officers can also be made to ASIC. For other enquiries, email ASIC through infoline@asic.gov.au, or call ASIC's Infoline on 1300 300 630 for the cost of a local call.

To find out more

For an explanation of terms used in this information sheet, see ASIC's 'Insolvency: a glossary of terms'.

For more on insolvency administration, see ASIC's related information sheets at www.asic.gov.au/insolvencyinfosheets:

- Voluntary administration: a guide for creditors
- Voluntary administration: a guide for employees
- Liquidation: a guide for creditors
- Liquidation: a guide for employees
- Receivership: a guide for creditors
- Receivership: a guide for employees
- Insolvency: a guide for shareholders
- Insolvency: a guide for directors.

These are also available from the Insolvency Practitioners Association (IPA) website at www.ipaa.com.au.

The IPA website also contains the IPA's Code of Professional Practice that is applicable to its members.

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 J – Form 529, Form 535, Form 532

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FORM 529

Sub regulation 5.6.12(2)

Corporations Act 2001

NOTICE OF SECOND MEETING OF CREDITORS

ASSET LOANS LTD ACN 107 745 095
ASSET LOAN CO PTY LTD ACN 107 746 798
INSTANT BUSINESS LOANS PTY LTD ACN 124 851 136
ASSET LIFE PTY LTD ACN 114 426 694
ASSET LOAN DEVELOPMENTS PTY LTD ACN 125 442 293
GALLIPOLI DEVELOPMENTS PTY LTD ACN 125 247 243
CAL DEV PTY LTD ACN 128 486 055
HERVEY BAY MARINA MOTEL PTY LTD ACN 125 432 555
AL RETIREMENT LIVING PTY LTD ACN 128 422 435
LAIDLEY PROPERTIES PTY LTD ACN 102 266 731
MIRIWINI DEVELOPMENTS PTY LTD ACN 126 886 842
(ALL ADMINISTRATORS APPOINTED)

ASSET LOAN INVESTMENTS PTY LTD ACN 113 135 452
(ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

(the above companies are collectively referred to as “Asset Loan Group”)

1. On 9 September 2008, the above companies under section 436A appointed John Lethbridge Greig and Richard John Hughes of Deloitte Touche Tohmatsu as Administrators of the companies.
2. Notice is now given that a second meeting of the creditors of the companies will be held at Level 25, Riverside Centre, 123 Eagle Street, Brisbane QLD 4000, on Friday 5 December 2008 at 10:00am, Brisbane time. Creditors intending to use the telephone attendance facility are requested to notify us of that intention.
3. **AGENDA**
 - a) To receive and consider the report from the Administrators
 - b) With regards to Asset Loans Ltd (Administrators Appointed), 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.
 - c) With regards to all other companies in Asset Loan Group, to resolve:
 - i. that the administrations should end; or
 - ii. that the companies be wound up
 - d) With regards to all Asset Loan Group companies:

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- i. whether to appoint a committee of creditors for each Asset Loan Group company; and
 - ii. if so, who are to be the committee's members.
 - e) To consider the fixing of the Administrators' remuneration pursuant to the provisions of Section 449E of the Corporations Act 2001 for all Asset Loan Group companies except Asset Loans Ltd and Asset Loan Co Pty Ltd (both Administrators Appointed)
 - f) Should the creditors of Asset Loans Limited (Administrators Appointed) resolve that the company enter a deed of company arrangement, to resolve the future remuneration of the deed administrators
 - g) Should the creditors of Asset Loans Limited (Administrators Appointed) not resolve that the company enter a deed of company arrangement, to resolve the future remuneration of the liquidators
 - h) Should the creditors of all other Asset Loan Group companies resolve that the respective company be wound up, to resolve the future remuneration of the liquidators for that respective Asset Loan Group company
 - i) General business.
4. A person is not entitled to vote as a creditor at the meeting unless he or she has made known the particulars of the debt or claim and the debt or claim has been admitted wholly or in part by the Administrators of that company.
 5. In providing particulars of the debt or claim, we request that that a Proof of Debt form be completed and lodged with us on or before 5pm Brisbane time on Thursday 4 December 2008 to facilitate checking and recording.
 6. A creditor entitled to attend and vote at the meeting may appoint a natural person over the age of 18 years (whether a creditor or not) as his or her proxy to attend and vote at the meeting. Enclosed with this Notice is a Form of Proxy (Form 532) which must be signed by the person appointing the proxy (**or in the case of a company, by its authorised officers under common seal**). Proxies will be accepted at any time before the start of the meeting.

Dated 27 November 2008



John L Greig & Richard J Hughes
Administrators

Enc.

NOTE 1. A person shall not be entitled to vote as a Creditor at the Meeting unless his debt or claim has been admitted wholly or in part by the Administrator. A Proof of Debt Form (Form 535) is enclosed with this Notice and a person wishing to vote as a Creditor is requested to lodge this form with the Administrators as soon as possible.

NOTE 2. A Creditor entitled to attend and vote at the Meeting may appoint a natural person over the age of 18 years (whether a Creditor or not) as his proxy to attend and vote at the Meeting. Enclosed with this Notice is a Form of Proxy (Form 532) which must be signed by the person appointing the Proxy (or in the case of a Company by an Authorised Officer).

FORM 535
Corporations Act 2001

Subregulation 5.6.49(2)

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Administrator of (Administrators Appointed)

1. This is to state that the company was, on 9 September 2008 and still is, justly and truly indebted to⁽¹⁾ for dollars and..... cents.

Particulars of the debt are:

Date	Consideration ⁽²⁾	Amount \$	GST included \$	Remarks ⁽³⁾

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:⁽⁴⁾
- 3.^{(6)*} 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, still remains unpaid and unsatisfied.
- 3.^{(6)*} I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.

DATED this day of 2008

Signature of Signatory.....

NAME IN BLOCK LETTERS

Occupation.....

Address

See Directions overleaf for the completion of this form

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED	/ /		

For personal use only

Directions

- * Strike out whichever is inapplicable.
- (1) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
- (2) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
- (3) Under "Remarks" include details of vouchers substantiating payment.
- (4) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount (\$)	Due Date

- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:

"This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

ASSET LOAN CO PTY LTD ACN 107 746 798
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$200,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the
presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(*This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy*)

I,, of, certify that the above instrument appointing
a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him
or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

ASSET LOAN INVESTMENTS PTY LTD ACN 113 135 452
(ADMINISTRATORS APPOINTED) (RECEIVERS AND MANAGERS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$5,354.50 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$10,000.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$60,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy)

I, _____, of _____, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this _____ day of _____

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

GALLIPOLI DEVELOPMENTS PTY LTD ACN 125 247 243
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$1,142.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$6,000.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$30,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

MIRIWinni DEVELOPMENTS PTY LTD ACN 126 886 842
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$2,282.50 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$6,000.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$30,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(*This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy*)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

INSTANT BUSINESS LOANS PTY LTD ACN 124 851 136
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$1,013.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

ASSET LIFE PTY LTD ACN 114 426 694
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$965.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

Director

Director/Secretary

.....
Signature (Individual)

CERTIFICATE OF WITNESS

(*This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy*)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

ASSET LOAN DEVELOPMENTS PTY LTD ACN 125 442 293
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$738.50 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

Director

.....
Signature (Individual)

Director/Secretary

CERTIFICATE OF WITNESS

(*This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy*)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

CAL DEV PTY LTD ACN 128 486 055
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$927.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy)

I, _____, of _____, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this _____ day of _____

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

HERVEY BAY MARINA MOTEL PTY LTD ACN 125 432 555
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$717.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

Director

Director/Secretary

.....
Signature (Individual)

CERTIFICATE OF WITNESS

(This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

AL RETIREMENT LIVING PTY LTD ACN 128 422 435
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$1,056.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

.....
Signature (Individual)

Director

Director/Secretary

CERTIFICATE OF WITNESS

(*This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy*)

I,, of, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this day of

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only

FORM 532
Corporations Act 2001
APPOINTMENT OF PROXY

Regulation 5.6.29

LAIDLEY PROPERTIES PTY LTD ACN 102 266 731
(ADMINISTRATORS APPOINTED)

*I/*We
of
a creditor of (*select appropriate company*).....
ACN.....Appoint.....

(*name, address and description of the person appointed*) or *in his or her absence the Chairman as *my/our
*general/*special proxy to vote at the meeting of creditors to be held on Friday 5 December 2008 at 10:00am
Brisbane time at the offices of Deloitte, Level 25, 123 Eagle Street, Brisbane Queensland or at any
adjournment of that meeting and to vote:

* generally as *he/she determines on *my/our behalf

OR

*specifically in accordance with the following special directions:

FOR	AGAINST	ABSTAIN	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the administration should end
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The company should be wound up and in the absence of any other nominations, that John Lethbridge Greig & Richard John Hughes be appointed Liquidators
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That a Committee of Creditors be formed
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	I nominate myself to be a member of the Committee of Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 9 September to 31 October 2008 in the order of \$717.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Administrators' remuneration for the period 1 November 2008 to the finalisation of the administration in the order of \$3,500.00 (ex GST) be approved as outlined in the Report to Creditors
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	That the Liquidators' remuneration in the order of \$15,000.00 (ex GST) be approved as outlined in the Report to Creditors

Dated 2008.

The Common Seal of was affixed hereto in the presence of:

Director

Director/Secretary

.....
Signature (Individual)

CERTIFICATE OF WITNESS

(*This certificate is to be completed only if the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy*)

I, _____, of _____, certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this _____ day of _____

.....
Signature of Witness
Place of residence

*Omit if not applicable

For personal use only