



Principals **Ross Mottershead | Murray Godfrey | Ian Purchas | Darren Vardy | Sonia Gibson**

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6 May 2010

FIRST REPORT TO CREDITORS

BLUE SPORT PTY LTD
A.C.N. 065 482 028
(IN LIQUIDATION) ("THE COMPANY")

TABLE OF INCLUSIONS

1. **Notice of meeting.**
2. **Appointment of proxy form (please complete and return).**
3. **Form 535 – Formal proof of debt of claim form (please complete and return).**
4. **Liquidator's report to creditors.**
 - i) **Annexure A – Summary of Affairs;**
 - ii) **Annexure B – ASIC Information Sheet "Information for Directors, Employees, Creditors and Shareholders";**
 - iii) **Annexure C – Declaration of Independence, Relevant Relationships and Indemnities;**
 - iv) **Annexure D – RMG Partners Business Solutions' charge rates; and**
 - v) **Annexure E – Remuneration Report**

If you require further copies of the above please contact Caroline Davenport of the Sydney office on (02) 9231 0889.

FORM 529A

Paragraph 5.6.12(2)(aa)

**BLUE SPORT PTY LTD
A.C.N. 065 482 028
(IN LIQUIDATION)**

NOTICE OF MEETING

NOTICE IS GIVEN that a Meeting of creditors will be held at the Business Lounge Seaworld Resort, Seaworld Drive, Main Beach, QLD 4216 on 17 May 2010 at 10.00 am.

The Company held a meeting of its shareholders on 29 April 2010 and passed the special resolution "That the Company be wound up voluntarily" so as to place the Company into voluntary liquidation and an ordinary resolution "That Murray Godfrey be appointed Liquidator".

AGENDA:

1. To confirm the Chairperson of the meeting;
2. To consider the replacement of the Liquidator;
3. To receive the Liquidator's report to creditors dated 6 May 2010;
4. To receive the Company's Report as to Affairs;
5. To fix the remuneration of the Liquidator;
6. To consider the appointment of members to a Committee of Inspection if creditors see fit to appoint such a committee; and
7. To authorise the Liquidator to destroy the books and records of the Company after dissolution of the Company, subject to obtaining prior approval from the Australian Securities and Investments Commission.

A form of proxy is attached. Proxies to be used at the meeting should be lodged with the Company care of RMG Partners Business Solutions, Level 12, 88 Pitt Street, Sydney NSW 2000 by 14 May 2010. A corporate creditor can only be represented by a duly appointed representative appointed under Section 127 and Section 250D.

Creditors wishing to vote at the meeting should establish their debt or claim by completing and lodging the attached Proof of Debt with RMG Partners Business Solutions prior to the date of the meeting.

Dated this 6th day of May 2010.


MURRAY GODFREY
Liquidator

APPOINTMENT OF PROXY

BLUE SPORT PTY LTD
A.C.N. 065 482 028
(IN LIQUIDATION)

I/We
of a creditor of
the abovenamed company appoint or in his/her
absence as my/our general/special proxy to vote at the
meeting of creditors to be held on 17 May 2010 at 10.00 am or at any adjournment of that meeting, and to
vote:

[] my general proxy to vote on all matters arising at the meeting (including the appointment of the
proxy holder as a member of any Committee of Inspection)

OR

[] my special proxy to vote on the following resolutions as specified below:

PLEASE TICK ONE BOX (ONLY) FOR EACH PROPOSED
RESOLUTION

Table with 4 columns: Resolution, For, Against, Abstain. Rows include: 1. To remove the liquidator from office and appoint someone else as liquidator of the company. 2. Liquidator's Remuneration. 3. Appointment of Committee of Inspection with ... appointed as a member. 4. Destruction of Books and Records.

And generally as he or she determines on my behalf.

Signed

[Signature box]

Dated

[Date box]

Print Name:

NOTES TO PROXY

- (1) The person(s) appointed proxy may be the Chairperson or such other person as the creditor may approve, and the proxy form, when signed, must be lodged by the time and at the address named for that purpose in the notice convening the meeting at which it is to be used.
- (2) Note that any person signing on behalf of a company must be duly authorised by the company.

WITNESS for blind creditors ONLY	
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.	
DATE
Signature of Witness
Description
Place of Residence

FORM 535

Corporations Act

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

To the Liquidator of **BLUE SPORT PTY LTD**

1. This is to state that the Company was on 29 April 2010, and still is, justly and truly indebted to _____

_____ of _____

for \$ _____ and _____ cents.

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

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

Date	Drawer	Acceptor	Amount \$c	Due Date

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

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

I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the following email address:

Email:.....

Dated this _____ day of _____ 2010.

.....
Signature
Occupation
Address

*Do not complete if this proof is made by the creditor personally.



Principals **Ross Mottershead | Murray Godfrey | Ian Purchas | Darren Vardy | Sonia Gibson**

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Our Ref: CD 1st RTC 06.05.2010/Sec 20

6 May 2010

FIRST REPORT TO CREDITORS

BLUE SPORT PTY LTD
A.C.N. 065 482 028
(IN LIQUIDATION) ("THE COMPANY")

The abovenamed Company held a meeting of its shareholders on 29 April 2010 and passed the special resolution "That the Company be wound up voluntarily" so as to place the Company into voluntary liquidation and an ordinary resolution "That Murray Godfrey be appointed Liquidator".

I report hereunder the following headings:

- 1. MEETING OF CREDITORS**
- 2. SUMMARY OF AFFAIRS / LISTING OF CREDITORS**
- 3. INSOLVENCY INFORMATION**
- 4. INDEPENDENCE**
- 5. EXISTING CONTRACTS AND AGREEMENTS**
- 6. REMUNERATION**
- 7. FURTHER REPORTS**

1. MEETING OF CREDITORS

As Liquidator, I am required to convene a meeting of the Company's creditors within eleven days after the winding up resolution is passed.

A meeting of creditors has been convened for 17 May 2010 at 10.00 am and will be held at the Business Lounge, Seaworld Resort, Seaworld Drive, Main Beach QLD 4216.

Accordingly I **attach** the following:

1. Notice of meeting of creditors;
2. Form of proxy; and
3. A formal proof of debt form.

2. SUMMARY OF AFFAIRS / LISTING OF CREDITORS

A Summary of Affairs has been completed which details the Company's assets and liabilities as at the date of liquidation. Attached as Annexure 'A' is a copy of the Summary of Affairs together with the latest available listing of creditors which details their addresses and estimated amounts owing.

Please note that this information has been obtained from the director and Company records. I cannot vouch for the accuracy or reliability of this information.

3. INSOLVENCY INFORMATION/ELECTRONIC NOTIFICATION OPTIONS

(a) **Insolvency Information Sheet**

For the information of creditors, I attach as Annexure 'B' a copy of the insolvency information sheet entitled "Information for Directors, Employees, Creditors and Shareholders" published by the Australian Securities & Investments Commission ("ASIC").

(b) **Electronic Notification Options**

Section 600G of the Act permits electronic notification to creditors of certain notices of documents. If you would like to receive electronic notification, please complete the relevant section on the proof of debt form.

4. INDEPENDENCE

In accepting the appointment as Liquidator, I have considered the issue of my independence.

In accordance with statutory and professional requirements, I have prepared a Declaration of Independence, Relevant Relationships and Indemnities. This Declaration is attached as Annexure 'C'.

In summary, I am not aware of any issues, circumstances or relationships which would preclude my appointment.

5. EXISTING CONTRACTS AND AGREEMENTS

Please note that I expressly refrain from adopting any contracts or agreements of the Company in existence at the date of my appointment, unless you are formally notified to the contrary in writing. All contracts and agreements are currently the subject of review and, if appropriate, advice as to the position of same will be forthcoming in the near future. In the meantime, no implication as to the adoption of any contracts should be drawn if payments are made for any current use of goods or services.

6. REMUNERATION

I will be claiming remuneration in respect of necessary work properly performed during the period of liquidation.

There are three basic methods that can be used to calculate the remuneration charged by an insolvency practitioner. They are:

(a) **Time based - hourly rates**

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

(b) **Fixed Fee**

The total fee charged is normally quoted at the commencement of the engagement and is the total cost for the engagement. Sometimes a practitioner will finalise an administration for a fixed fee.

(c) **Commission**

The total fee charged is based on a percentage scale of the gross proceeds of asset realisations.

I propose that my remuneration as Liquidator be calculated on a time basis. This is the most objective method of charging for the work actually performed during the course of the liquidation.

The time will be charged in accordance with RMG Partners Business Solutions' standard hourly rates. A schedule of current rates is **attached as Annexure 'D'**.

The schedule also provides a general guide showing the qualifications and experience of staff engaged in the liquidation. The hourly rates charged encompass the total cost of providing professional services, and should not be compared to an hourly wage.

Creditors will be asked to approve the basis and amount of remuneration at the forthcoming meeting of creditors. To assist creditors in considering remuneration, I have prepared a comprehensive remuneration report which outlines the major tasks to be undertaken during the course of the liquidation and the estimated fees to be charged for each major task area. The amount of prospective remuneration for which approval is sought will be capped at \$15,000.00 plus GST. The remuneration report is **attached as Annexure 'E'**.

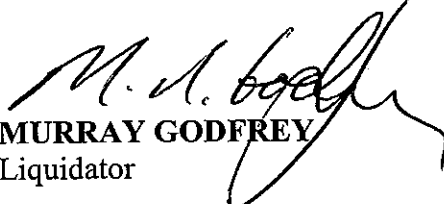
Creditors should note that I have not been provided with a limited indemnity for the conduct of this Liquidation as set out in the Declaration of Independence, Relevant Relationships and Indemnities which appears at **Annexure 'C'**.

7. **FURTHER REPORTS**

I will issue further reports to creditors should there be any significant matters disclosed during the course of the liquidation. At a minimum, the Liquidator in a creditors' voluntary liquidation must convene an annual meeting of creditors or submit a written report to ASIC annually on the conduct of the liquidation. In addition, should the Company pay a dividend of less than 50 cents in the dollar to its unsecured creditors, the Liquidator is required to report to ASIC pursuant to Section 533 of the Corporations Act 2001. A report to ASIC is also submitted if the Liquidator's investigation discloses any potential offences.

Should you require any further information prior to the meeting of creditors, please contact Caroline Davenport of the Sydney office.

Dated this 6th day of May 2010.


MURRAY GODFREY
Liquidator

ANNEXURE 'A'

ASIC registered agent number: 23613
 lodging party or agent name: RMG Partners
 Office, level, building name or PO Box GPO Box 4153
 street number and name _____
 Suburb/city: Sydney NSW 2001
 telephone: 02 9231 0889
 facsimile: 02 9231 0887
 DX number _____ suburb/city _____

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	ASS <input type="checkbox"/>	REQ-A <input type="checkbox"/>
	CASH. <input type="checkbox"/>	REQ-P <input type="checkbox"/>
	PROC. <input type="checkbox"/>	

Australian Securities & Investments Commission

Form **509**

Corporations Act 2001
497(2)(b)(i)

Summary of Affairs of a Company

corporation name Blue Sport Pty Ltd
 A.C.N. or A.R.B.N. 065 482 023

Summary of Assets and Liabilities

Date to which summary is made up: 28/04/2010

	Valuation \$	Estimated Realisable Values \$
1. Assets not specifically charged:		
(a) interest in land	—	
(b) sundry debtors	—	
(c) cash on hand	200	
(d) cash at bank	—	
(e) stock as detailed in inventory	18318	1800
(f) work in progress as detailed in inventory	—	
(g) plant and equipment as detailed in inventory	1500	500
(h) other assets	—	
Sub total	20018	2300
2. Assets subject to specific charges		
Less amounts owing		
TOTAL Assets		
TOTAL Estimated Realisable Values		
3. Less preferential creditors entitled to priority over the holders of debentures under any floating charge	14800	
4. Less amounts owing and secured by debenture or floating charge over company's assets to:		
5. Less preferential creditors		
6. Creditors (unsecured) Amount claimed (0.00)	91995	
7. Balances owing to partly secured creditors as detailed in Total Claims 0.00 Security Held 0.00		

	Valuation \$	Estimated Realisable Values \$
8. Contingent assets Estimated to produce		
9. Contingent liabilities Estimated to rank for		
Estimated Surplus (Deficiency)	(86,777.00)	(104,495.00)
Subject to costs of Creditors Voluntary Liquidation		
Share Capital Issued 0.00		
Share Capital Paid Up 0.00		

Signature


Print Name

Capacity

Bruce Frederick Russell

Director

Signature



date 28/4/2010

Blue Sport Pty Ltd (In Liquidation)

A.C.N. 065 482 028

SECURED CREDITORS

Creditor Name	Address	RATA
Bank of Queensland	GPO BOX 898 BRISBANE QLD 4004	6,000.00
Totals for Secured Creditors		1 6,000.00

UNSECURED CREDITORS

Creditor Name	Address	RATA
American Express	GPO Box 5159 Sydney NSW 1131	6,304.00
Australian Taxation Office	GPO Box 9990 Brisbane QLD 4000	19,910.00
B & J Russell		21,240.00
Coleman Swim	160B Cliff View Drive, Green Bay 0604 Auckland NZ	11,462.00
David Herring Pty Ltd	323 Hay Street East Perth WA 6004	3,983.00
Farrar Administration Services	38 Connelly Way Kellyville NSW 2155	30,448.00
Fendi Fashion Accessories	7/31-41 Bridge Road Stanmore NSW 2045	1,848.00
Harbour Town Centre Management	Corner Oxley Drive & Brisbane Road Biggeve Water QLD 4216	8,800.00
Telstra	Locked Bag 3503 Brisbane QLD 4001 Australia	200.00
Totals for Unsecured Creditors		10 104,195.00
Totals for All Creditors:		11 110,195.00

ANNEXURE 'B'



ASIC

Australian Securities & Investments Commission

Insolvency information for directors, employees, creditors and shareholders

ASIC has 11 insolvency information sheets to assist you if you're affected by a company's insolvency and have little or no knowledge of what's involved.

These plain language information sheets give directors, employees, creditors and shareholders a basic understanding of the three most common company insolvency procedures—liquidation, voluntary administration and receivership. There is an information sheet on the independence of external administrators and one that explains the process for approving the fees of external administrators. A glossary of commonly used insolvency terms is also provided.

The Insolvency Practitioners Association (IPA), the leading professional organisation in Australia for insolvency practitioners, endorses these publications and encourages its members to make their availability known to affected people.

List of information sheets

- Insolvency: a glossary of terms
- 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
- Independence of external administrators: a guide for creditors
- Approving fees: a guide for creditors

Important note: The information sheets contain 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. These documents may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.

Getting copies of the information sheets

To get copies of the information sheets, visit ASIC's website at www.asic.gov.au/insolvencyinfosheets. The information sheets are also available from the IPA website at www.ipaa.com.au. The IPA website also contains the IPA's Code of Professional Practice for Insolvency Professionals, which applies to IPA members.

ANNEXURE 'C'

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

BLUE SPORT PTY LTD A.C.N. 065 482 028 (IN LIQUIDATION)

Independence

I, Murray Godfrey, of RMG Partners Business Solutions, have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Liquidator of the abovenamed Company. This assessment identified no real or potential risks to my independence. I am not aware of any reasons that would prevent me from accepting this appointment.

Relevant Relationships

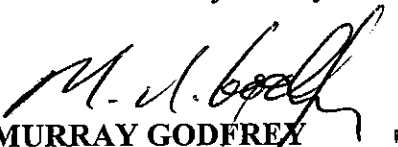
Neither I, nor the firm RMG Partners Business Solutions, have, or have had within the preceding 24 months, any relationships with the Company, an associate of the Company, a former insolvency practitioner appointed to the Company or any person or entity that has a charge on the whole or substantially whole of the Company's property.

Prior Engagements with the Company

Neither I, nor the firm RMG Partners Business Solutions, have undertaken any prior engagements for the Company. Creditors should note that I was appointed Liquidator of Tapno Pty Limited, a company previously controlled by the Director on 9 October 2009, however there is no trading relationship between the entities.

I do not believe that this will affect my appointment as Liquidator to Blue Sport Pty Ltd.

Dated this 6th day of May 2010.


MURRAY GODFREY
Liquidator

NOTE: If circumstances change, or new information is identified, I am required under the IPA Code of Professional Practice 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 Company's creditors.

ANNEXURE 'D'



Hourly Insolvency Rates from 1 October 2008

	Rate \$	GST 10% \$	Total \$	
Appointee	460.00	46.00	506.00	Official Liquidator Liquidator
Partner / Associate	460.00	46.00	506.00	
Manager 1	380.00	38.00	418.00	7+ years insolv exp 3+ years as manager Qualified Accountant
Manager 2	330.00	33.00	363.00	6-7+ years insolv exp Qualified Accountant
Supervisor	250.00	25.00	275.00	4-6+ years insolv exp Qualified Accountant
Senior 1	220.00	22.00	242.00	2-4+ years insolv exp Completing CA Program
Senior 2	185.00	18.50	203.50	1-2+ years insolv exp Commencing CA Program
Intermediate 1	170.00	17.00	187.00	0-2+ years insolv exp Graduate
Intermediate 2	140.00	14.00	154.00	0-2+ years insolv exp Undergraduate
Secretary / wpo	140.00	14.00	154.00	Appropriate skills
Computer Operator	140.00	14.00	154.00	Appropriate skills
Clerk	100.00	10.00	110.00	Non Qualified Passed HSC
Typist	100.00	10.00	110.00	Appropriate skills
Junior	80.00	8.00	88.00	HSC. Starting degree/Diploma

Notes:

- 1) Remuneration is calculated on a time basis in accordance with the above rates.
- 2) The Firm maintains its time records in a computerised system and the information, which is entered into the computer, has its origin in diaries kept by members of the Firm.
- 3) Staff are classified in accordance with academic qualifications and insolvency experience.

ANNEXURE 'E'

REMUNERATION REPORT

BLUE SPORT PTY LIMITED

A.C.N. 065 482 028

(IN LIQUIDATION) (“THE COMPANY”)

In compliance with the Insolvency Practitioners Association of Australia (“IPA”) Code of Professional Practice and the requirements of the Corporations Act 2001, I set out below my remuneration report for the period 29 April 2010 to completion of the Creditors Voluntary Liquidation.

This report is set out as follows:

- 1. DESCRIPTION OF WORK**
- 2. CALCULATION OF REMUNERATION**

1. DESCRIPTION OF WORK

The tasks which external administrators undertake can be broadly divided into seven categories. These are:

- Assets
- Creditors
- Employees
- Trade On
- Investigation
- Dividend
- Administration.

Information on the seven categories is summarised at Section 2 hereunder to enable creditors to understand the type and purpose of work being undertaken.

2. CALCULATION OF REMUNERATION

Future Fees

At the meeting of creditors to be held on 17 May 2010 I will ask for approval to be paid remuneration for services rendered in the Creditors Voluntary Liquidation from 29 April 2010 to the completion of the Creditors Voluntary Liquidation. A summary of the expected major tasks and costs relating to the professional services for the period is set out below.

Task Area	General Description	Includes
Assets [\$4,000]	Plant and Equipment	Assess plant and equipment and other assets owned by the company Liaising with valuers and auctioneers as necessary Review of asset listings
	Debtors	Correspondence with debtors Reviewing and assessing debtor ledgers
	Stock	Review of stock sold just prior to appointment and liaising with the purchaser
	Other Assets	Review books and records of the company to assess whether there are any other realisable assets
	Leasing	Review of leasing documents Liaising with the lessor
Creditors [\$4,000]	Creditor Enquiries	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Review correspondence received from creditors
	Retention of Title Claims	Assess any retention of title claims received
	Creditor reports	Preparation of circular to creditors convening first meeting of creditors which includes remuneration report Preparation of future detailed report to creditors containing results of my investigation into the affairs of the company Preparation of future circular to creditors convening final meeting of members and creditors
	Dealing with proofs of debt	Review and filing of any proofs of debts received
	Meeting of Creditors	Preparation of meeting notices, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting Attendance at meeting of creditors Preparation and lodgement of minutes of meeting with the Australian Securities and Investments Commission
Employees [Nil]	Employees enquiry	Receive and follow up employee enquiries via telephone Preparation of letters to employees advising of their entitlements and options available
	Calculation of entitlements	Calculating employee entitlements Reviewing employee files and company's books and records Reconciling superannuation accounts Reviewing awards
Investigation [\$4,000]	Conducting investigation	Collection of company books and records Reviewing company's books and records Review and preparation of company history and background Conducting and summarising statutory searches Conducting of asset tracing Preparation of comparative financial statements Preparation of deficiency statement Review of transactions with related parties during the last

Task Area	General Description	Includes
		four years Identify possible offences Review of specific transactions and liaising with directors regarding certain transactions Preparation of investigation file
	ASIC reporting	Preparation and lodgement of report pursuant to section 533 of the Corporations Act 2001 with ASIC Preparation and lodgement of supplementary report if required
Administration [\$3,000]	Correspondence	Preparation of correspondence to directors Preparation of miscellaneous correspondence
	Document maintenance/file review/checklist	First month, then three monthly administration reviews Filing of documents Updating checklists
	Insurance	Notification of appointment Correspondence with Aon regarding initial and ongoing insurance requirements if required
	Bank account administration	Preparation of correspondence regarding opening and closing of bank accounts Requesting bank statements Bank account reconciliations Preparation of cash receipt and cheque requisition vouchers Cashbook maintenance
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524, 911 etc Correspondence with ASIC regarding statutory forms
	ATO & other statutory reporting	Notification of appointment Preparing BAS' Notification of any GST adjustments
	Finalisation	Cancelling ABN and GST registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of liquidation
	Books and records / storage	Dealing with records in storage Sending job files to storage
Total \$15,000		

On the assumption that I will not be required to undertake any major tasks not detailed above I would expect total fees to approximate \$15,000 plus GST. Should matters change which prevent me from being able to complete the Creditors Voluntary Liquidation for estimate, I will report to creditors accordingly.

Disbursements

Disbursements are divided into three types: A, B1 and 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 certain 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, stationery, boardroom hire, certain search fees, facsimile costs and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Full details of disbursements on this appointment will be provided to creditors at a later date. Creditor approval for the payment of disbursements is not required, however I must account to creditors. Creditors have the right to question the incurring of the disbursements and can challenge disbursements in court.

Statement of Remuneration Claim

At the forthcoming meeting of creditors, creditors will be asked to pass the following resolution:

Liquidator's Prospective Fees

"That the remuneration of the Liquidator from the date of appointment, being 29 April 2010, to completion be calculated on a time basis, as detailed in the report to creditors of 6 May 2010, up to a limit of \$15,000.00, exclusive of GST, and that the Liquidator can draw the remuneration on a monthly basis or as required."

There have been no previous claims for remuneration.

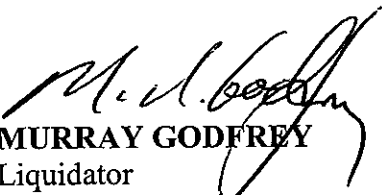
Queries/Information Sheets

The above information is provided to assist creditors in considering the appropriateness of the remuneration claim that is being made.

Creditors should feel free to contact my office to seek further information concerning the remuneration claim if they so need.

The IPA have produced a document entitled "Creditor Information Sheet: Approving remuneration in external administrations" that can be downloaded from the IPA website, www.ipaa.com.au, or alternatively a copy can be obtained if you contact Caroline Davenport of the Sydney office.

Dated this 6 May 2010.


MURRAY GODFREY
Liquidator