

24 May 2017

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ABN 57 045 615 571

TO CREDITORS

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")**

NOTICE OF SECOND MEETING OF CREDITORS

APPOINTMENT PARTICULARS

I, Trent Andrew Devine, was appointed as Joint and Several Administrator of the Company along with Sule Arnautovic on 26 April 2017.

Our appointment in this regard was made pursuant to Section 436A of the *Corporations Act 2001* ("Act").

Our appointment as Joint and Several Administrators was confirmed at the first meeting of creditors held on 9 May 2017

MEETING OF CREDITORS

Formal notice is hereby given to creditors that the second meeting of the creditors of the Company will be held pursuant to Section 439A of the Act. The details of the meeting are as follows: -

MEETING DATE:	THURSDAY, 1 JUNE 2017
MEETING TIME:	11:00 AM (LOCAL TIME) (CREDITORS' REGISTRATION WILL COMMENCE FROM 10:00 AM)
MEETING LOCATION:	CLIFTONS BRISBANE LEVEL 24, 288 EDWARD STREET, BRISBANE QLD 4000

The purpose of the second meeting of creditors is to explain to creditors the financial position of the Company and its future prospects. Other matters to be discussed at the meeting are disclosed in the attached formal notice of meeting.

ATTACHMENTS TO REPORT

I advise that this report to creditors should be read in conjunction with the following documents, which are attached to the report for your reference: -

1. Form 529 - Formal notice of meeting;
2. Form 532 - Appointment of Proxy form;
3. Form 535 - Formal Proof of Debt/Claim form for all secured and unsecured creditors;
4. The Joint and Several Administrators' Report to Creditors dated 24 May 2017 and issued pursuant to Section 439A of the Act; and
5. Remuneration Report - Advice to Creditors dated 24 May 2017.

JIRSCH SUTHERLAND

Jirsch Sutherland is a specialist Insolvency firm with offices located in New South Wales, Victoria, Queensland and Western Australia.

For a detailed firm profile please visit: www.jirschsutherland.com.au.

PROXY FORM INSTRUCTIONS (FORM 532)

I advise that an individual creditor such as a sole trader or employee creditor may vote at the scheduled meeting of creditors either in person or in their absence by appointing a proxy.

Corporations/Companies may only vote by utilising a valid appointment of proxy or have a duly authorised Company representative attend the forthcoming meeting and provide written evidence of their authority to vote on behalf of their Corporation/Company pursuant to Section 250D of the Act.

Proxies used at the forthcoming meeting of creditors will not be valid for future meetings of creditors. Generally, unless otherwise specified, proxies used at meetings of creditors will only be valid for future meetings of creditors in the event that the future meetings of creditors are being held as a result of an adjourned meeting of creditors.

Creditors are formally advised that pursuant to *Corporations Regulation 5.6.36* all Form 532 - Appointment of Proxy Forms (including any appointment of authorised representative documentation) should be returned to our office by no later than 4:00pm (local time) on Wednesday, 31 May 2017.

FORMAL PROOF OF DEBT/CLAIM FORM INSTRUCTIONS (FORM 535)

Formal proofs of debt or claim forms lodged by creditors at the forthcoming meeting of creditors will be valid for all future creditors' meetings, that is, creditors need not lodge a further proof of debt or claim form at future creditors' meetings unless their claim has been amended.

Creditors need not lodge a further proof of debt/claim form for the forthcoming meeting unless their claim has changed.

Creditors should note that proofs of debt lodged at meetings of creditors are only admitted for voting purposes. Any dividend that is declared will only be paid following a separate formal adjudication of the relevant proofs of debt or claim forms lodged by creditors.

TELECONFERENCE FACILITIES

I advise that arrangements can be made for creditors to attend this meeting via teleconference facilities.

Any creditor wishing to attend the meeting via teleconference must contact this office by no later than 4:00pm (local time) on Wednesday, 31 May 2017.

In addition, creditors intending to use the teleconference facilities will be required to provide the following:

- (a) The name of the creditor (and name of proxy if applicable); and
- (b) The creditor's and proxy's contact details (mailing address, email address, telephone number and facsimile number).

Finally, Creditors should note that any costs incurred in attending the meeting via teleconference are their own to bear and these costs are not able to be reimbursed from the assets of the Company.

DISCLAIMER

This notice and report has been prepared from investigations to date, which have relied upon the available books and records of the Company, together with the advice and information provided by officers of the Company. Due to the time constraints imposed by the Act, this information has generally been accepted without conducting an independent audit or obtaining independent verification of its accuracy.

Should you have any questions in relation to this matter, or require any further information, please contact Des Byron of our office on (07) 3152 0222.

Yours faithfully,



TRENT ANDREW DEVINE
JOINT AND SEVERAL ADMINISTRATOR

24 May 2017

FORM 529

Corporations Act 2001
Regulation 5.6.12

NOTICE OF SECOND MEETING OF CREDITORS

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")**

Formal notice is hereby given to creditors that the second meeting of the creditors of the Company will be held pursuant to Section 439A of the *Corporations Act 2001* ("the Act"). The details of the meeting are as follows: -

MEETING DATE:	Thursday, 1 June 2017
MEETING TIME:	11:00 am (local time) (Creditors' registration will commence from 10:00 AM)
MEETING LOCATION:	Cliftons Brisbane Level 24, 288 Edward Street, Brisbane QLD 4000
PROOFS AND PROXIES TO BE SUBMITTED BY	Creditors wishing to attend the meeting are advised that proofs of debt and proxy forms should be submitted to the Joint and Several Administrators' office by 4:00 PM (local time) on Wednesday, 31 May 2017.
TELECONFERENCE FACILITIES	<p>Arrangements can be made for creditors to attend this meeting via teleconference facilities.</p> <p>Any creditor wishing to attend the meeting via teleconference must provide the following information in writing not later than 4:00 pm on Wednesday, 31 May 2017:</p> <ul style="list-style-type: none">(a) The name of the creditor (and proxy if applicable);(b) The creditor's Postal address (and proxy if applicable);(c) The creditor's Email address (and proxy if applicable);(d) The creditor's Telephone number (and proxy if applicable); and(e) The creditor's Facsimile number (and proxy if applicable). <p>Creditors should note that any costs incurred in attending the meeting via teleconference are their own to bear and these costs are not able to be reimbursed from the assets of the Company.</p>

The purpose of the meeting is: -

1. For creditors to resolve that:
 - (a) A Deed of Company Arrangement be executed by the Company; or
 - (b) The Administration of the Company should end; or
 - (c) That the Company be wound up.
2. To consider the approval of the Administrators' remuneration and certain out of pocket expenses (if applicable);
3. To consider the nomination of a person(s) to be Liquidator(s) or Deed Administrator(s);
4. To consider approval of the Liquidators' or Deed Administrators' remuneration and certain out of pocket expenses (if applicable);
5. To consider the appointment and constitution of a committee of inspection (if applicable);
6. Pursuant to Section 542 of the Act, to authorise the Liquidator(s) to be able to destroy the books and records of the Company within a period of six (6) months after the dissolution of the Company, subject to obtaining prior approval from the Australian Securities & Investments Commission ("ASIC"); and
7. Any other business.

Should you have any questions in relation to this matter, or require any further information, please contact Des Byron of our office on (07) 3152 0222.

Yours faithfully,



TRENT ANDREW DEVINE
JOINT AND SEVERAL ADMINISTRATOR

FORM 532
APPOINTMENT OF PROXY FORM

Corporations Act 2001
Regulation 5.6.29

RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")

A. Creditor's Name and Contact Details

Creditor Name: _____

Contact Name: _____

Telephone No: _____

Address: _____

E-mail: _____

B. Appointment of Proxy

I/We, a creditor of the Company hereby appoint _____ or in his/her absence _____ or failing that, the Chairperson, as my/our proxy to vote at the meeting of creditors of the Company to be held at Cliftons Brisbane, Level 24, 288 Edward Street, Brisbane QLD 4000 on Thursday, 1 June 2017, commencing at 11:00AM (Local Time) or at any adjournment thereof.

C. Voting by Proxy (please tick)

- ☐ This proxy is to be used as a general proxy to vote on all matters arising at the relevant meeting,
OR
☐ This proxy is to be used as a special proxy to vote on the following matters as specifically indicated below:

Resolution	For	Against	Abstain
(1) That the remuneration of the Joint & Several Administrators for the period 26 April 2017 to 22 May 2017 be approved in the amount of \$222,866, plus GST, such amount calculated on a time cost basis using hourly rates adopted by Jirsch Sutherland, and that such remuneration be drawn at the discretion of the Administrators.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) That the Administrators or Deed Administrators or Liquidators are authorised to draw up to a maximum amount of \$12,000 plus GST on account of any out of pocket expenses incurred in connection with the external administration of the Company that relate to flights, accommodation, taxis and travel.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) That the remuneration of the Joint & Several Administrators for the period 23 May 2017 to 1 June 2017 be approved to a maximum amount of \$50,000.00, plus GST, beyond which further approval must be sought from creditors, the committee of creditors and/or inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Administrators.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) a) That the Company execute a Deed of Company Arrangement as detailed in the Report to Creditors dated 24 May 2017; OR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) That the Company be wound up/placed into liquidation; OR	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) That the administration of the Company should end and control of the Company revert to its Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In the event that creditors vote in favour of the Deed Proposal:-			
(5) That the remuneration of the Joint & Several Administrators for the period 1 June 2017 to the execution date of the Deed of Company Arrangement be approved to a maximum amount of \$50,000.00 plus GST, beyond which further approval must be sought from creditors, the committee of inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Administrators.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(6)	That the remuneration of the Joint & Several Deed Administrators from the execution date of the Deed of Company Arrangement be approved to a maximum amount of \$250,000.00 plus GST, beyond which further approval must be sought from creditors, the committee of inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Joint & Several Deed Administrators.			
In the event that the Company is wound up/placed into liquidation:				
(7)	Sule Arnautovic and Trent Andrew Devine of Jirsch Sutherland be removed as Joint & Several Liquidators of the Company and that _____ of _____ be appointed as replacement Liquidator of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(8)	That the remuneration of the Joint & Several Liquidators for the period commencing 1 June 2017 be approved to a capped amount of \$750,000.00 plus GST, beyond which further approval must be sought from creditors, the committee of inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Liquidators.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(9)	That a committee of inspection be appointed consisting of _____ (insert number) members being: _____ _____ _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(10)	That subject to obtaining the approval from the Australian Securities & Investments Commission ("ASIC"), the books and records of the Company may be destroyed by the Joint & Several Liquidators six (6) months after the dissolution/deregistration of the Company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Note: One of the Administrators will act as Chairperson of the meeting.

Creditors wishing to attend the meeting are advised that proofs of debt and proxy forms should be submitted to the Administrators' office by 4:00 PM (local time) on Wednesday, 31 May 2017.

D. Execution (in accordance with Sections 127 and 250D of the Corporations Act 2001)

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

Insert Signature Above

The Common seal (if applicable) was affixed hereto in the presence of:

Print Name Above

Dated this _____ day of _____ 20__

Capacity: Director/Secretary/In person/Other

CERTIFICATE OF WITNESS - COMPLETE BELOW ONLY IF CREDITOR IS BLIND OR INCAPABLE OF WRITING

This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The person nominated as proxy must not witness the signature of the creditor.

I (Insert Name), _____

Of (Insert Name) _____

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

Witness Signature: _____

Witness Number: _____

FORM 535

*Corporations Act 2001
Regulation 5.6.49(2)*

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")**

FORMAL PROOF OF DEBT/CLAIM FORM AS AT 26 APRIL 2017

CREDITOR NAME	
ABN	
CONTACT PERSON	
ADDRESS	
TELEPHONE	
EMAIL	

1. This is to state that the Company was on 26 April 2017 and still is, justly and truly indebted to me/us for the amount shown below. This amount is calculated as follows:

DATE	CONSIDERATION	TOTAL DEBT INC. GST (\$/C)	GST (\$/C)	REMARKS

(Please attach copies of all relevant evidence associated with claim)

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 the creditor's agent am 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.

DATE	
SIGNATURE	
NAME	
CAPACITY/OCCUPATION	

24 May 2017

**CORPORATIONS ACT 2001
SECTION 439A (4)**

ADMINISTRATORS' REPORT TO CREDITORS

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")**

INTRODUCTION AND BACKGROUND

We, Sule Arnautovic and Trent Andrew Devine, were appointed as Joint and Several Voluntary Administrators of the Company under Part 5.3A of the *Corporations Act 2001* (Cth) ("the Act") on 26 April 2017.

The purpose of an appointment of an Administrator is to allow for an independent insolvency practitioner to take control of and investigate the affairs of an insolvent company. During that time, creditors' claims are put on hold. At the end of that period, we are required to provide creditors with information and recommendations to assist creditors to decide upon the Company's future.

We hereby provide our Report to creditors pursuant to Section 439A of the Act. The purpose of this Report is to provide creditors with sufficient information for them to make an informed decision about the future of the Company, including:

- Background information about the Company;
- The results of our investigations;
- The estimated returns to creditors; and
- The options available to creditors and our opinion on each of those options.

This Report has the following headings:

Section	Title
1.	Statement of Independence and Other Disclosures
2.	Executive Summary
3.	Appointment Particulars
4.	Company's Details
5.	Historical Financial Position of the Company
6.	Assets and Liabilities as at Date of Appointment / Reports as to Affairs for the Company
7.	Administration Period
8.	Investigations and Funding Requirements
9.	Deed of Company Arrangement ("DOCA")
10.	Dividend Outlook and Options Available to Creditors of the Company
11.	Remuneration
12.	Finalisation of Administration
13.	Conclusion

This Report has the following Annexures:

Annexure	Title
A.	Known Unsecured Creditors
B.	Receipts and Payments
C.	Creditor Information Sheet – Offences, Recoverable Transactions and Insolvent Trading
D.	Deed of Company Arrangement Proposal
E.	Estimated Liquidation Scenario versus Deed of Company Arrangement Proposal Comparison
F.	Administrators' Opinion
G.	Remuneration Report

1. STATEMENT OF INDEPENDENCE AND OTHER DISCLOSURES

1.1 Jirsch Sutherland

Jirsch Sutherland is a specialist Insolvency services firm with offices located in New South Wales, Queensland, Victoria and in Western Australia.

For a detailed firm profile, please visit www.jirschsutherland.com.au.

1.2 Declaration of independence, relevant relationships, prior engagements and indemnities

Our "Declaration of Independence, Relevant Relationships, Prior Engagements and Indemnities" ("DIRRI") was enclosed in our Report to Creditors dated 28 April 2017. A copy of this declaration can be obtained from our office upon receiving a written request.

On 26 April 2017, Onterran Limited ("Onterran"), Sole Shareholder of the Company, made an upfront payment of \$75,000 into the Jirsch Sutherland Trust Account as a partial contribution towards our fees and costs for the administration of the Company. Further, Onterran Limited provided a written indemnity in respect of various expenses to be incurred by the Administrators in the administration of the Company, in particular:-

- a. Rent and outgoings;
- b. Gross wages;
- c. Ongoing maintenance and/or contractors costs;
- d. Equipment leasing, rental or hire purchase costs; and
- e. Any other reasonable operational and business overhead expenses incurred.

We note that the indemnity does not extend to our professional fees, office expenses, general legal costs or valuation costs. If the Company is subsequently placed into liquidation, the costs incurred by Onterran in this regard will rank subordinate to all of our fees expenses and costs as Administrators and Liquidators but ahead of all priority employee entitlements per section 556 of the *Corporations Act 2001*.

1.3 Disclaimer

This Report has been prepared from our investigations to date which has relied on the available books and records of the Company, and information provided by the Company's Director. Due to the time constraints imposed by the Act, this information has generally been accepted without conducting an audit or obtaining independent verification of its accuracy.

2. EXECUTIVE SUMMARY

2.1 Second Meeting of Creditors

The Second meeting of creditors of the Company will be held pursuant to Section 439A of the Act on Thursday, 1 June 2017 at 11:00AM (Local time). A formal notice of the meeting which provides the location for the meeting is attached to this report. We advise that the creditors' registration will commence from 10:00AM (local time) on 1 June 2017.

At the forthcoming meeting, creditors of the Company will have the opportunity to vote to decide the future of the Company and determine whether:

- a) The Company should each execute a Deed of Company Arrangement ("DOCA"); or

- b) The Company should be placed into liquidation; or
- c) The Administration for the Company should end.

2.2 Administrators' Recommendations

It is our recommendation that the Company should execute the proposed DOCA.

Details of the proposed DOCA and the reasons for our recommendations are detailed in Sections 9 and 10 of this Report.

3. APPOINTMENT PARTICULARS

3.1 Introduction and reason for appointment

Sule Arnautovic and Trent Andrew Devine were appointed as Joint and Several Voluntary Administrators of the Company under Part 5.3A of the Act on 26 April 2017.

The primary reason for our appointment can be attributed to the Company experiencing financial difficulties.

3.2 First meetings of creditors

The first meeting of creditors of the Company was held on 9 May 2017 pursuant to Section 436E of the Act, to consider the appointment of an alternative Administrator(s) and the appointment of a Committee of creditors, for the Company.

At the first meeting, a Committee of Creditors was appointed for the Company consisting of seven members as follows:

- Mr Patrick Boland representing Boland Cranes Pty Ltd;
- Mr Trevor Dixon representing Dale and Meyers Operations Pty Ltd trading as DTM Timber;
- Mr John Dillon representing Wards Robes Pty Ltd trading as Select Commercial Joinery;
- Mr John Goddard representing Aaromat Fencing & Balustrade Pty Ltd;
- Ms Kylie McIlroy representing Yellow Block Road Pty Ltd;
- Mr Scott Allan representing QBE Australia Ltd; and
- Mr Graham Cohan representing The Trustee for Voukelatos Family Trust trading as TC Plasterers.

There was no alternative Administrator(s) appointed. It should be noted that there were no nominations from any party to act as an alternative Administrator(s).

3.3 Strategy for Administration

The stated purposes of the provisions of the Act regarding Voluntary Administrations are for the affairs of a company to be administered in such a way that:

- a) Maximises the chances of a company, or as much as possible of its business continuing in the future; or
- b) Results in a better return for creditors than would be achieved from the immediate winding up of the company.

In seeking to achieve points a) and b) above, we decided to trade the Company on a limited basis with the focus being on retaining staff mainly for the purpose of completing current work in progress. That is, to assist us in the collection of debtors/retentions and to coordinate the rectification of any defects.

Due to the strict timeline of the voluntary administration process, we are now at the stage where the Company's creditors must decide the future of the Company.

Details of our acts and dealings in relation to the Company and proposed restructure through a DOCA are more specifically reported on in Sections 7, 9 and 10 of this Report.

Our acts and dealings since our appointment have been carried out with a view to maximising the value of the Company's assets generally for the benefit of all creditors.

The Company's future is now in the hands of the creditors.

Creditors will either resolve to wind up the Company, or creditors will resolve to accept the restructure proposal (outlined in the DOCA proposal, **enclosed** in this report) which if accepted, will result in the Company being returned to the control of the Director (or a new board of directors) with unsecured creditors likely receiving a better financial return than if the Company were wound up. The success or otherwise of the restructure proposal is dependent on the Company's principal financier, landlords, suppliers, employees and other creditors generally being supportive of it.

We have also conducted an investigation of the Company's pre-appointment financial affairs and have identified potential voidable transactions and other recoveries that may be available to any liquidator appointed. Details of our investigations to date are provided in Section 8 of this Report.

4. COMPANY'S DETAILS

4.1 Company' Background

The Company was incorporated on 5 October 1995.

The Company was primarily funded by its Holding Company, Onterran, an ASX listed Company (ASX: OTR). Onterran (formerly known as Nomad Building Solutions Ltd) entered into an agreement with the Company to buy 100% of the Company's shares on 18 February 2015. The sale was completed and the ASIC register updated on 29 May 2015.

Onterran is a holding company of a diversified group of construction, modular manufacturing and property development businesses, operating through a number of entities, including the Company.

4.2 Services and Products

The Company operates in the building industry and delivered a diverse range of building projects (including residential, commercial and civil) in Queensland and at times Western Australia.

The Company was highly experienced in the construction of architecturally designed homes, townhouses, housing estates, medical centres and other engineering projects.

4.3 Premises and Trading Locations

The Company traded from the leased premises located at Unit 13, 178 Redland Bay Road, CAPALABA QLD 4157. The premises are leased from the related entity, Kurrewa Holdings Pty Ltd.

4.4 Management and Staff

At the time of our appointment, the principal management and control of the Company was borne by the current Director, Mr Wayne Norman Bloomer, and the previous director, Mr Lachlan Stuart McIntosh.

As at the date of our appointment the Company employed twelve (12) full time staff. Given the limited business operations of the Company seven (7) staff were terminated upon our appointment and five (5) have remained employed during the course of administration on a day to day basis.

4.5 Reasons for Failure

The Director has provided the following reasons for the appointment of Voluntary Administrators to the Company:

- Inability to sign statutory declarations required to accompany monthly contract payment claims for projects;
- Inability to raise further capital; and
- Loss of building licence due to an inability to meet the Queensland Building and Construction Commission's ("QBCC") financial and other requirements.

The Director advised the Administrators that a number of actions were undertaken by them in an attempt to rectify their financial position, including:

- Pursuing debtors;
- Putting the Company's outstanding tax and other debts into repayment plans;
- Seeking additional funding from its shareholder Onterran; and
- Seeking legal advice.

We are advised that whilst the above measures were positive, they were however, ultimately insufficient to completely arrest the financial deterioration of the Company.

Accordingly, the Director made a decision to place the Company into Voluntary Administration on 26 April 2017.

It is our opinion that other reasons for our appointment as Administrators were as follows:

- The Company realised significant contract and trading losses in the last quarter of 2016;
- The Company attempted to raise capital to fund the ongoing operations, however the losses incurred were too significant to allow the business to trade indefinitely; and
- The Company was unable to complete project works due to solvency issues and restrictions placed on the Company's building licence by the QBCC.

It is also our view that the Company may have traded whilst insolvent prior to our appointment. We refer to Sections 8.6 and 8.10 of this Report in that regard.

4.6 Statutory Details

We have obtained search extracts of the Company from records held by the Australian Securities Investment Commission ("ASIC") and held by the Company. A summary of this information is presented below.

For the period post 2010, the ASIC database and records of the Company identify the following officers, including current secretaries for the Company:

Name	Position	Appointment Date	Cease Date
Bloomer, Wayne Norman	Director & Secretary	05.02.2004	
McIntosh, Lachlan Stuart	Director	01.03.2015	29.03.2017

The definition of "director" in Section 9 of the Act includes persons who are occupying or acting in the position of a director even though not appointed as such. Such persons are commonly referred to as "shadow directors" or "de-facto directors".

The Company's shareholding comprises of twenty-five thousand and two (25,002) shares of \$25,002 which is paid and held by Onterran, the Ultimate Holding Company.

The Personal Property Securities Register ("PPSR") is a government register that became effective from 30 January 2012, where details of security interests in property are now registered. In this respect, the PPSR records that the following security interests were registered against the Company at the date of our appointment:

Secured Party	Collateral	PMSI	Registration number(s)
WACO KWIKFORM LIMITED	Other Goods	Yes	201112201388219
COATES HIRE OPERATIONS PTY LIMITED	Motor Vehicle	Yes	201112201860726
COATES HIRE OPERATIONS PTY LIMITED	Other Goods	Yes	201112201860859
NATIONAL AUSTRALIA BANK LIMITED	All Pap No Except		201112210729474
NATIONAL AUSTRALIA BANK LIMITED	All Pap No Except		201112211961471
ACO POLYCRETE PTY LTD	Other Goods	No	201112230907001
GO ELECTRICAL PTY LTD	Other Goods	Yes	201201030202698
KENNARDS HIRE PTY LIMITED	Other Goods	Yes	201201051111418
ALUMINIUM SPECIALTIES GROUP PTY. LTD.	Other Goods	Yes	201201080070927
CHARLES PORTER AND SONS PROPRIETARY LIMITED	Other Goods	Yes	201202010243417
HUME DOORS & TIMBER (QLD) PTY. LTD.	Other Goods	Yes	201202030071873

STODDART GROUP PTY LTD; STODDART (S.E.QUEENSLAND) PTY LTD; STODDART (NSW) PTY LTD; STODDART RAE (ILLAWARRA) PTY LTD; STODDART (NQ) PTY LTD; STODDART (VICTORIA) PTY LTD; STEEL HOUSE FRAMES AUSTRALIA PTY LTD; STODDART STEEL HOUSE FRAMES (NSW) PTY LTD; STODDART STEEL HOUSE FRAMES (VICTORIA) PTY LTD; SCOPE SAFETY SYSTEMS (VICTORIA) PTY LTD; SCOPE SAFETY SYSTEMS PTY LTD; STODDART LOKUP PTY LTD	Other Goods	Yes	201202290057517
WACO KWIKFORM LIMITED	Other Goods	Yes	201203060039120
BIG RIVER GROUP PTY LTD	Other Goods	Yes	201203080077903
UNI-SPAN HEIGHT SAFETY PTY LTD	Other Goods	Yes	201204100001975
BRADNAM'S WINDOWS AND DOORS PTY. LTD.	Other Goods	Yes	201204120052134
TREND WINDOWS & DOORS PTY LIMITED	Other Goods	No	201204190036707
GPS INVEST SELECT FUND; GPS INVEST POOLED FUND	General Intangible	No	201204240046209
PAPARD PTY. LTD.	Other Goods	Yes	201204270065540
AUSSIE HIRE PTY. LTD.	Other Goods	Yes	201205150046617
ACROW FORMWORK AND SCAFFOLDING PTY LTD	Other Goods	Yes	201205160080375
FORCE CORP PTY LTD	Motor Vehicle	Yes	201205180056612
ROYAL WOLF TRADING AUSTRALIA PTY LIMITED	Other Goods	Yes	201205240006977
AUSCO MODULAR PTY LIMITED	Other Goods	Yes	201206180023823
MODINEX PRODUCTS PTY LTD	Other Goods	Yes	201208020021211
GLOBAL CRANES	Other	Yes	201208130052549
FREO GROUP LIMITED	Other Goods	Yes	201208140024705
CHROMAGEN PTY LTD	Other Goods	No	201209050037396
ARRIUM LIMITED; ONESTEEL TRADING PTY LIMITED; ONESTEEL REINFORCING PTY LIMITED; ONESTEEL COIL COATERS PTY LTD; ONESTEEL RECYCLING PTY LIMITED; THE AUSTRALIAN STEEL COMPANY (OPERATIONS) PTY LTD; ONESTEEL MANUFACTURING PTY LIMITED; ONESTEEL WIRE PTY LIMITED; ONESTEEL NSW PTY LIMITED; ONESTEEL AUSTRALIAN TUBE MILLS PTY LIMITED; COMMONWEALTH STEEL COMPANY PTY LIMITED; LITESTEEL TECHNOLOGIES PTY LTD; SOUTHERN IRON PTY LTD; CENTRAL IRON PTY LTD; WHYALLA PORTS PTY LTD	Other Goods	Yes	201209050051710
CRA INTERNAL LININGS PTY LTD	Other Goods	Yes	201210150050283
GILL & CO. PTY. LTD. GILL & CO. (CLEVELAND) PTY. LTD.	Other Goods	Yes	201211270065243
CAIRNS HARDWARE COMPANY PTY LIMITED	Other Goods	Yes	201211280077385

REWARD SUPPLY CO. PTY. LTD.	Other Goods	Yes	201301140060922
MTU DETROIT DIESEL AUSTRALIA PTY LIMITED	Other Goods	Yes	201301300018951
REDSTAR EQUIPMENT PTY LTD ONSITE RENTAL GROUP OPERATIONS PTY LTD	Other Goods	Yes	201302210053635
BOC LIMITED	Other Goods	Yes	201302250031269
DULUXGROUP (AUSTRALIA) PTY LTD	Other Goods	Yes	201303120032243
HARSCO INFRASTRUCTURE (GLADSTONE) PTY LTD	Other Goods	No	201303220040234
CLIFTON BRICK MANUFACTURERS PTY. LTD. J. HALLETT & SON PTY. LTD.; J. HALLETT & SON PTY. LTD.; NUBRIK (NRT) PTY LTD; BRICKWORKS BUILDING PRODUCTS (NZ) PTY LTD; BRISTILE GUARDIANS PTY LTD; BRISTILE ROOFING (EAST COAST) PTY LTD; NUBRIK CONCRETE MASONRY PTY. LTD.; AUSTRAL PRECAST (VIC) PTY LTD; AUSTRAL PRECAST (WA) PTY LTD; AUSTRAL PRECAST (QLD) PTY LTD; NUBRIK PTY LTD; THE AUSTRAL BRICK CO PTY LTD; AUSTRAL PRECAST (NSW) PTY LTD; AUSTRAL BRICKS (QLD) PTY LTD; AUSTRAL BRICKS (SA) PTY LTD; AUSTRAL BRICKS (TASMANIA) PTY LTD; BRICKWORKS BUILDING PRODUCTS PTY LTD; BRICKWORKS LTD; AUSTRAL BRICKS (NSW) PTY LTD; AUSTRAL BRICKS (VIC) PTY LTD; AUSTRAL MASONRY (VIC) PTY LTD; AUSWEST TIMBERS (ACT) PTY. LTD.; AUSWEST TIMBERS PTY. LTD.; AUSTRAL BRICKS (WA) PTY LTD; AUSTRAL MASONRY (NSW) PTY LTD; AUSTRAL MASONRY (QLD) PTY LTD	Other Goods	Yes	201304060010793

CLIFTON BRICK MANUFACTURERS PTY. LTD. J. HALLETT & SON PTY. LTD.; J. HALLETT & SON PTY. LTD.; NUBRIK (NRT) PTY LTD; BRICKWORKS BUILDING PRODUCTS (NZ) PTY LTD; BRISTILE GUARDIANS PTY LTD; BRISTILE ROOFING (EAST COAST) PTY LTD; NUBRIK CONCRETE MASONRY PTY. LTD.; AUSTRAL PRECAST (VIC) PTY LTD; AUSTRAL PRECAST (WA) PTY LTD; AUSTRAL PRECAST (QLD) PTY LTD; NUBRIK PTY LTD; THE AUSTRAL BRICK CO PTY LTD; AUSTRAL PRECAST (NSW) PTY LTD; AUSTRAL BRICKS (QLD) PTY LTD; AUSTRAL BRICKS (SA) PTY LTD; AUSTRAL BRICKS (TASMANIA) PTY LTD; BRICKWORKS BUILDING PRODUCTS PTY LTD; BRICKWORKS LTD; AUSTRAL BRICKS (NSW) PTY LTD; AUSTRAL BRICKS (VIC) PTY LTD; AUSTRAL MASONRY (VIC) PTY LTD; AUSWEST TIMBERS (ACT) PTY. LTD.; AUSWEST TIMBERS PTY. LTD.; AUSTRAL BRICKS (WA) PTY LTD; AUSTRAL MASONRY (NSW) PTY LTD; AUSTRAL MASONRY (QLD) PTY LTD	Other Goods	Yes	201304060011096
TRU BLU HIRE AUSTRALIA PTY LTD	Motor Vehicle	Yes	201304290024426
TRU BLU HIRE AUSTRALIA PTY LTD	Other Goods	Yes	201304290024435
NSA ROOFING PTY LTD	Other Goods	Yes	201305030066179
B&D AUSTRALIA PTY LTD	Other Goods	Yes	201306030004435
ATCO STRUCTURES & LOGISTICS PTY LTD	Other Goods	Yes	201306200016292
CLIFTON BRICK MANUFACTURERS PTY. LTD. J. HALLETT & SON PTY. LTD.; J. HALLETT & SON PTY. LTD.; NUBRIK (NRT) PTY LTD; BRICKWORKS BUILDING PRODUCTS (NZ) PTY LTD; BRISTILE GUARDIANS PTY LTD; BRISTILE ROOFING (EAST COAST) PTY LTD; NUBRIK CONCRETE MASONRY PTY. LTD.; AUSTRAL PRECAST (VIC) PTY LTD; AUSTRAL PRECAST (WA) PTY LTD; AUSTRAL PRECAST (QLD) PTY LTD; NUBRIK PTY LTD; THE AUSTRAL BRICK CO PTY LTD; AUSTRAL PRECAST (NSW) PTY LTD; AUSTRAL BRICKS (QLD) PTY LTD; AUSTRAL BRICKS (SA) PTY LTD; AUSTRAL BRICKS (TASMANIA) PTY LTD; BRICKWORKS BUILDING PRODUCTS PTY LTD; BRICKWORKS LTD; AUSTRAL BRICKS (NSW) PTY LTD; AUSTRAL BRICKS (VIC) PTY LTD; AUSTRAL MASONRY (VIC) PTY LTD; AUSWEST TIMBERS (ACT) PTY. LTD.; AUSWEST TIMBERS PTY. LTD.; AUSTRAL BRICKS (WA) PTY LTD; AUSTRAL MASONRY (NSW) PTY LTD; AUSTRAL MASONRY (QLD) PTY LTD	Other Goods	Yes	201307040014012

ENERGY POWER SYSTEMS AUSTRALIA PTY. LIMITED.	Motor Vehicle	Yes	201307120054331
ENERGY POWER SYSTEMS AUSTRALIA PTY. LIMITED.	Other Goods	Yes	201307120054354
HARSCO INFRASTRUCTURE (GLADSTONE) PTY LTD	Other Goods	Yes	201307160057596
GUNNERSEN PTY LTD	Other Goods	Yes	201309090030071
GUNNERSEN PTY LTD	Other Goods	Yes	201309100022279
Heale, Russell	Motor Vehicle	Yes	201309190063020
Heale, Russell	Other Goods	Yes	201309190063031
STRATCO (QLD) PTY. LTD.	Other Goods	Yes	201311130057991
GCS PERSONNEL SERVICES PTY LTD; SAFE AND SOUND SCAFFOLDING PTY LTD; GCS FACADES PTY LTD; GCS INTEGRATED SERVICES PTY LTD; C.A.S.C. CONSTRUCTIONS PTY. LTD.; GCS ACCESS PTY LTD; BFA INVESTMENTS PTY LTD; GCS HIRE PTY LTD; GLOBAL CONSTRUCTION SERVICES LIMITED	Other Goods	Yes	201312070011417
GCS PERSONNEL SERVICES PTY LTD; SAFE AND SOUND SCAFFOLDING PTY LTD; GCS FACADES PTY LTD; GCS INTEGRATED SERVICES PTY LTD; C.A.S.C. CONSTRUCTIONS PTY. LTD.; GCS ACCESS PTY LTD; BFA INVESTMENTS PTY LTD; GCS HIRE PTY LTD; GLOBAL CONSTRUCTION SERVICES LIMITED	Motor Vehicle	Yes	201312070011625
THE GOOD GUYS DISCOUNT WAREHOUSES (AUSTRALIA) PTY LTD	Other Goods	Yes	201401100047464
REDLAND BAY ROOF	Other	Yes	201401150112714
CENTRAL PLUMBING SUPPLIES PTY. LTD.	Other Goods	No	201401300521784
MCHUGH STEEL PTY LTD	Other Goods	Yes	201401310023933
MESH & BAR PTY. LIMITED	Other Goods	Yes	201401310051337
MASTER CARPET COMPANY (QLD.) PTY. LTD.	Other Goods	Yes	201403240028443
COVENTRY GROUP LIMITED	Other Goods	Yes	201403270035814
HARDINGS HARDWARE PTY. LTD.	Other Goods	Yes	201405070016983
BRADNAM'S WINDOWS AND DOORS PTY. LTD.	Other Goods	Yes	201408010091803
STRAMIT CORPORATION PTY LIMITED	Other Goods	Yes	201410140037630
STODDART GROUP PTY LTD; STODDART (S.E.QUEENSLAND) PTY LTD; STODDART (NSW) PTY LTD; STODDART RAE (ILLAWARRA) PTY LTD; STODDART (NQ) PTY LTD; STODDART (VICTORIA) PTY LTD; STEEL HOUSE FRAMES AUSTRALIA PTY LTD; STODDART STEEL HOUSE FRAMES (NSW) PTY LTD; STODD	Other Goods	Yes	201411110054588
RENTMAX LIMITED	Motor Vehicle	Yes	201501310002431
RENTMAX LIMITED	Motor Vehicle	Yes	201501310002449

RENTMAX LIMITED	Other Goods	Yes	201501310003600
CSR BUILDING PRODUCTS LIMITED	Other Goods	Yes	201502040023936
EZI ROLL DOORS AUSTRALIA PTY LIMITED	Other Goods	Yes	201502240025821
MESH & BAR PTY. LIMITED	Other Goods	Yes	201503100018964
CORINTHIAN INDUSTRIES (AUSTRALIA) PTY LIMITED; STEGBAR PTY. LIMITED; ANEETA WINDOW SYSTEMS (VIC) PTY. LTD.; REGENCY (SHOWERSCREENS & WARDROBES) PTY LIMITED; JELD-WEN AUSTRALIA PTY LIMITED; JELD-WEN GLASS AUSTRALIA PTY LIMITED; AIRLITE WINDOWS PTY LIMITED	Other Goods	Yes	201504010016855
HILTI (AUST.) PTY. LTD.	Other Goods	Yes	201504130031699
PIVOT AUSTRALIA PTY LTD	Other Goods	No	201504160017129
TRADELINK PTY LIMITED	Other Goods	Yes	201504170050529
THE AUSTRALIAN STEEL COMPANY (OPERATIONS) PTY LTD	Other Goods	Yes	201504280015670
ACROW FORMWORK AND SCAFFOLDING PTY LTD	Other Goods	Yes	201506100038223
AFS SYSTEMS PTY LTD	Other Goods	Yes	201506240068481
BLUESCOPE DISTRIBUTION PTY LTD	Other Goods	Yes	201506250064439
RENTMAX LIMITED	Motor Vehicle	Yes	201506300004014
RENTMAX LIMITED	Motor Vehicle	Yes	201506300005099
NEWNHAM SCAFFOLDING PTY LTD	Account		201507130022919
NEWNHAM SCAFFOLDING PTY LTD	Other Goods	No	201507130022926
HOLCIM (AUSTRALIA)	Other	Yes	201507210020630
EXCEL CONCRETE PTY LTD	Other Goods	Yes	201507210115792
NATIONAL AUSTRALIA BANK LIMITED	All Pap No Except		201507280025263
RETRACOM HIRE PTY LTD	Other Goods	Yes	201507310029960
G JAMES AUSTRALIA PTY. LTD.	Other Goods	Yes	201508140047977
RENTMAX LIMITED	Motor Vehicle	Yes	201509160002161
RENTMAX LIMITED	Motor Vehicle	Yes	201509160002174
ROYAL WOLF TRADING AUSTRALIA PTY LIMITED	Other Goods	Yes	201510020032793
DYNATON SALES AND HIRE PTY LTD	Other Goods	Yes	201510150031247
KENNARDS HIRE PTY LIMITED	Motor Vehicle	Yes	201510190022290
KENNARDS HIRE	Other Goods	Yes	201510190022300
TRADELINK PTY LIMITED	Other Goods	Yes	201510200058399
CENTRAL PLUMBING SUPPLIES PTY. LTD.	Other Goods	No	201510230043548
SAMIOS PLUMBING PTY LTD	Other Goods	Yes	201511090041556
MASTER HIRE	Other Goods	Yes	201512180094258
METRO STEEL PTY LTD	Other Goods	No	201602150067884
BRIS ALUMINIUM PTY LTD	Other Goods	No	201602220013507

LONGWAVES PTY LTD	Other Goods	Yes	201603040016513
FLOORING QUEENSLAND PTY LTD	Other Goods	Yes	201603040016889
RIVER RD HIRE PTY LTD	Motor Vehicle	Yes	201604200042059
RIVER RD HIRE PTY LTD	Other Goods	Yes	201604200042063
Q-PRESS TRADING PTY LTD	Other Goods	Yes	201604210060740
R.J. BEAUMONT & CO. PTY. LTD.; CROSBY TILES PTY. LTD.; BEAUMONT TILES PTY LIMITED; BEAUMONT'S DISCOUNT TILE WAREHOUSE PTY LIMITED; TILERS PLUS PTY LIMITED; BEAUMONT TILES (N.T.) PTY. LTD.; BEAUMONT BATHROOMS RENOVATOR (SA) PTY LIMITED; BEAUMONT AUSTRALIA PTY LIMITED; LIFE'S TILES PTY LTD; TILEWERX PTY LIMITED PTY. LTD. BEAUMONT TILES PTY LIMITED	Other Goods	Yes	201605160048555
HI-REACH RENTALS (AUSTRALIA) PTY LTD	Other Goods	Yes	201606070052581
HI-REACH RENTALS (AUSTRALIA) PTY LTD	Motor Vehicle	Yes	201606070053056
NORFOLK BLINDS PTY LTD The Trustee for NORFOLK TRUST	Other Goods	Yes	201608180009007
ACTION ACCESS HIRE PTY LTD AUSTRALIAN ACCESS HIRE PTY LIMITED	Motor Vehicle	Yes	201608300008769
ACTION ACCESS HIRE PTY LTD AUSTRALIAN ACCESS HIRE PTY LIMITED	Other Goods	Yes	201608300008880
PRESTON HIRE (QLD) PTY LIMITED	Other Goods	No	201609060008526
STORM SCAFFOLDING PTY LTD	Other Goods	No	201609140037803
STORM SCAFFOLDING PTY LTD	Other Goods	No	201609140044276
STORM SCAFFOLDING PTY LTD	Other Goods	No	201609140047011
STORM SCAFFOLDING PTY LTD	Other Goods	No	201609140048722
PRESTON HIRE (QLD) PTY LIMITED	Other Goods	Yes	201609210055553
ATF SERVICES PTY LTD	Other Goods	Yes	201609220065163
PRESTON HIRE (QLD) PTY LIMITED	Other Goods	Yes	201609280064411
FTI GROUP PTY LTD	Other Goods	No	201611170059743
GEMPLAVA PTY LTD	All Pap No Except		201612230069013
R.J. BEAUMONT & CO. PTY. LTD.; CROSBY TILES PTY. LTD.; BEAUMONT TILES PTY LIMITED; BEAUMONT'S DISCOUNT TILE WAREHOUSE PTY LIMITED; TILERS PLUS PTY LIMITED; BEAUMONT TILES (N.T.) PTY. LTD.; BEAUMONT BATHROOMS RENOVATOR (SA) PTY LIMITED; BEAUMONT AUSTRALIA	Other Goods	Yes	201701270041193
ETC HIRE PTY LTD	Motor Vehicle	Yes	201701270073578
HOME TIMBER & HARDWARE GROUP PTY LTD	Other Goods	Yes	201702030055471

WINDOW DESIGN SOLUTIONS (AUST) PTY LTD	Other Goods	Yes	201702080024677
SOUL INNOVATIONS PTY LTD	All Pap No Except		201702090017583
SNOWDONIA AIRCONDITIONING PTY LTD	All Pap No Except		201702090026683
SIDE BY SIDE SCAFFOLDING AND RIGGING SERVICES (AUS) PTY LTD	All Pap No Except		201702100033986
VT SERVICES CONTRACTING PTY LTD	Other Goods	Yes	201702100034776
MAZEWELL PTY. LTD.	Other Goods	Yes	201702100047857
MAZEWELL PTY. LTD.	General Intangible	No	201702100049990
AHRENS ENTERPRISES PTY LTD	Other Goods	Yes	201702130008121
CROWN CABINETRY PTY LTD	Other Goods	No	201702130031941
BERWICK'S (GOLD COAST) PTY. LIMITED	Other Goods	Yes	201702220043686
STODDART GROUP PTY LTD; STODDART (S.E.QUEENSLAND) PTY LTD; STODDART (NSW) PTY LTD; STODDART RAE (ILLAWARRA) PTY LTD; STODDART (NQ) PTY LTD; STODDART (VICTORIA) PTY LTD; STEEL HOUSE FRAMES AUSTRALIA PTY LTD; STODDART STEEL HOUSE FRAMES (NSW) PTY LTD; STODD	All Pap No Except		201703010060793
FINLAYSON TIMBER & HARDWARE PTY. LTD.	Other Goods	Yes	201703030066889
FINLAYSON TIMBER & HARDWARE PTY. LTD.	Other Goods	Yes	201703060002254
FINLAYSON TIMBER & HARDWARE PTY. LTD.	Other Goods	Yes	201703060002778
WINDOW DESIGN SOLUTIONS (AUST) PTY LTD	Other Goods	No	201703130035558

Further analysis of all of the above security interests is provided in Sections 6.3 and 8.7 of this Report.

The Administrators have issued notices to certain security interest holders advising of their intention not to exercise property rights, particularly with respect to leases concerning equipment with no equity available.

4.7 Known Related/Associated Parties

We detail below, known (current) related/ associated parties of the Company as defined by Sections 9, 228 and 50AAA of the Act:

Individuals

Related Party	Relationship
Bloomer, Wayne Norman	Director and Secretary
McIntosh, Lachlan Stuart	Former Director

**Excludes former directors of the Company prior to 2010.*

Associated Companies of Wayne Norman Bloomer

10-12 GORDON STREET PTY LTD
16 ADELPHI TERRACE PTY LTD
17 ADELPHI TERRACE PTY LTD
21 STURT STREET PTY LTD
33 NORTH ESPLANADE PTY LTD
34 NILE STREET PTY LTD
36 STURT STREET PTY LTD
BERGE ST PTY LTD
BLOOMER INVESTMENTS PTY LTD
RESISITES AUSTRALIA PTY LTD
BCQ CIVIL PTY LTD
CCH APARTMENTS PTY LTD *
CCH DEVELOPMENTS NO. 2 PTY LTD *
CCH DEVELOPMENTS NO. 3 PTY LTD *
CCH INFRASTRUCTURE PTY LTD *
COURAN COVE HOLDINGS PTY LTD *
COURAN COVE ISLAND RESORT PTY LTD *
EDEN BLOOMER PTY LTD
GEMPLAVA PTY LTD
HB PARTNERS QUEENSLAND PTY LTD
ISLAND RESORTS PTY LTD *
ISLAND RESORTS (DEVELOPMENTS) PTY LTD
ISLAND RESORTS (PROPERTY) PTY LTD *
ISLAND RESORTS (APARTMENTS) PTY LTD *
ISLAND RESORTS (FACILITIES & EQUIPMENT) PTY LTD
ISLAND RESORTS (INFRASTRUCTURE) PTY LTD
KURREWA HOLDINGS PTY. LTD.
MICHELMORE STREET PTY LTD
MILOOM PTY LTD
PIVOT WAY PTY LTD *
RESISITES AUSTRALIA PTY LTD
RIVER RD HIRE PTY LTD
SMART PROPERTY (SA) HOLDINGS PTY LTD
SOUTH STRADBROKE APARTMENTS PTY LTD *
TARACK HOLDINGS PTY. LTD.
WATERFORD PARK HOLDINGS PTY LTD

Note: Where denoted by a "", Onterran is the Ultimate Holding Company and/ or shareholder of the related entity listed above.*

Associated Companies of Lachlan Stuart McIntosh

22 CAPITAL PTY LTD
22 CORPORATE ADVISORY PTY LTD
22 MARKET STREET PTY LTD
22 RESOLUTION PTY LTD
BANKRUPTCY HELPLINE PTY LTD
CCH APARTMENTS PTY LTD *
CCH DEVELOPMENTS NO. 1 PTY LTD *
CCH DEVELOPMENTS NO. 2 PTY LTD *
CCH DEVELOPMENTS NO. 3 PTY LTD *
CCH INFRASTRUCTURE PTY LTD *
COMPTONS CABOOLTURE PTY LTD
COURAN COVE HOLDINGS PTY LTD *
COURAN COVE ISLAND RESORT PTY LTD *
EGL FINANCE PTY LTD
ELIZABETH VALE SCENIC VILLAGE PTY LTD
ELIZABETH VALE SCENIC VILLAGE 1 PTY LTD
EUREKA CARE COMMUNITIES PTY LTD
EUREKA CARE COMMUNITIES (WYNNUM) PTY LTD
EUREKA CARE COMMUNITIES (SALISBURY) PTY LTD
EUREKA CARE COMMUNITIES (MORPHETVILLE) PTY LTD
EUREKA CARE COMMUNITIES (MOUNT GAMBIER 2) PTY LTD
EUREKA CARE COMMUNITIES (MOUNT GAMBIER 3) PTY LTD
EUREKA CASCADE GARDENS (CAIRNS) PTY LTD
EUREKA CASCADE GARDENS (TERRANORA) PTY LTD
EUREKA CASCADE GARDENS (COURAN COVE) PTY LTD
EUREKA CASCADE GARDENS (MARGATE) PTY LTD
EUREKA CASCADE GARDENS (SOUTHPORT) PTY LTD
EUREKA CASCADE GARDENS (BELGIAN GARDENS) PTY LTD
EUREKA CASCADE GARDENS (ORANGE) PTY LTD
EUREKA CASCADE GARDENS (BROKEN HILL) PTY LTD
EUREKA CASCADE GARDENS (TIVOLI) PTY LTD
EUREKA CASCADE GARDENS (GLADSTONE) PTY LTD
EUREKA CASCADE GARDENS (ALBERT GARDENS) PTY LTD
EUREKA CASCADE GARDENS (AYR) PTY LTD
EUREKA CASCADE GARDENS (TOWNSVILLE) PTY LTD
EUREKA GROUP CARE PTY LTD
EUREKA GROUP HOLDINGS LIMITED
EUREKA LEASING AND FINANCE PTY LTD
EUREKA PROPERTY PTY LTD
EUREKA WHITSUNDAY PTY LTD
FIG INVESTMENTS PTY LTD
GRIFFITH SCENIC VILLAGE PTY LTD
ISAKATH PTY LTD
ISLAND RESORTS PTY LTD *
ISLAND RESORTS (PROPERTY) PTY LTD *
ISLAND RESORTS (APARTMENTS) PTY LTD *
ISLAND RESORTS (DEVELOPMENTS) PTY LTD
ISLAND RESORTS (FACILITIES & EQUIPMENT) PTY LTD
ISLAND RESORTS (INFRASTRUCTURE) PTY LTD
KATHLAC PTY LTD
KMQ INSOLVENCY PTY LTD
LEISURE LIVING GLADSTONE PTY LTD
NOMAD GROUP PTY LTD

ONTERRAN LIMITED
 PPK COURAN COVE PTY LTD
 PPK EASY LIVING PTY LTD
 QUEENS BEACH PUB PTY LTD
 ROCKDRIVE PTY LTD
 ROCKHAM TWO PTY LT
 RODOMON PTY LTD
 SCENIC VILLAGE GROUP PTY LTD
 SCV LEASING PTY LTD
 SCV MANAGER PTY LTD
 SCV NO. 1 PTY LTD
 SOUTH STRADBROKE APARTMENTS PTY LTD
 THE PRESIDENTS 33 PTY LTD
 WEIPA INVESTMENT CORPORATION PTY LTD
 YALGOLD PTY LTD

Note: Where denoted by a "", Onterran is the Ultimate Holding Company and/ or shareholder of the related entity listed above.*

Although not listed, any individuals who are Directors and/ or shareholders of the above listed Companies will also be related or associated parties of the Company.

5. HISTORICAL FINANCIAL POSITION OF THE COMPANY

We have reviewed various financial statements and management accounts for the Company. A summary of the audited balance sheet and profit and loss information for the 2015 and 2016 financial years are summarised below.

The financial information summarised has been prepared by the Company's internal and external accountants (where applicable) based on information provided by the Company's Director.

The financial information is presented for information purposes only. As such, the information is not being presented as a statement of fact and no representations are made by us as to the accuracy or reliability of such information. We also advise creditors that whilst the financial information of any company may be accurate at a certain point in time, insolvency proceedings can often result in a company's financial position substantially changing, particularly as regards asset values and creditor claims.

5.1 Summary of Balance Sheets

We summarise and provide commentary on the Balance Sheets and analysis of working capital of the Company, as follows:

Balance sheets for the 2015 and 2016 financial years disclose the following:

	30-Jun-15 In '000 (\$)	30-Jun-16 In '000 (\$)
ASSETS		
Current Assets		
Trade & Other Receivables	23,029	26,089
Cash	4,546	6,378
Work in Progress	8,798	8,834
Non-Current Assets held for sale	-	1,808

Tax Credits	202	
Prepayments	6	16
Total Current Assets	36,581	43,125
Non-Current Assets		
Plant & Equipment	291	671
Total Non-Current Assets	291	671
 TOTAL ASSETS	 36,872	 43,796
 LIABILITIES		
Current Liabilities		
Trade & Other Payables	27,478	37,912
Deferred Income	2,314	4,401
Interest Bearing Liabilities	3,138	93
Provisions	3,842	223
Total Current Liabilities	36,772	42,629
Non-Current Liabilities		
Trade & Other Payables	976	690
Interest Bearing Liabilities	101	76
Provisions		11
Total Non-Current Liabilities	1,077	777
 TOTAL LIABILITIES	 37,849	 43,406
 NET ASSETS/(LIABILITIES)	 (977)	 390

An analysis of available working capital discloses the following:

	30-Jun-15 In '000 (\$)	30-Jun-16 In '000 (\$)
Working Capital		
Current Assets less Current Liabilities	(191)	496
Current Ratio		
Current Assets / Current Liabilities	0.99	1.01

With reference to the summary of the balance sheets and analysis of working capital, we note the following:

- Trade & Other Receivables predominantly represent Trade Receivables and Retentions. The Company's Retentions are recoverable within one year through the relevant contract terms or the Company's bank guarantee facility and Onterran Group insurance bond facility;
- Current Assets increased by approximately \$7 million from 1 July 2015 to 30 June 2016 due to an increase in trade debtors of \$3 million, an increase in cash of \$2 million and an increase in non-current asset held for sale of \$2 million;
- The total Non-Current Assets increased by approximately \$400,000 from 1 July 2015 to 30 June 2016 predominantly due to additions to Plant & Equipment;

- Current Liabilities increased by approximately \$6 million from 1 July 2015 to 30 June 2016 due to a significant increase in Trade Payables;
- Non-Current Liabilities decreased by approximately \$300,000 from 1 July 2015 to 30 June 2016 due to a decrease in the Purchases Retentions. The Purchases Retentions refer to retentions on subcontractor costs which are released on completion of the related defects period;
- Overall, the above summary indicates that the Company had negative net assets as at 30 June 2015; however, the Company had positive net assets at 30 June 2016; and
- The Company's current ratios (being current assets divided by current liabilities) were 0.99 and 1.01 for 30 June 2015 and 30 June 2016, respectively. A ratio of 1 or above is generally considered to be at an acceptable or 'solvent' level. *Prima facie*, based on the Company's current ratios, it may be solvent as at 30 June 2016. Creditors should refer to our comments on Section 8.6 in respect to the Company's solvency.

5.2 Statements of Financial Performance Commentary

Profit & loss account summaries for the 2015 and 2016 financial years disclose the following:

	30-Jun-15 In '000 (\$)	30-Jun-16 In '000 (\$)
Total Income	112,963	238,711
Cost of Sales	(110,370)	(227,993)
Gross Profit	2,593	10,718
Total Expenses	(8,821)	(9,351)
Net Profit from operations	(6,228)	1,367

With reference to the aforementioned summary of the profit and loss statements, we note the following:

- Income for the Company increased by approximately \$126 million (approximately 111%) for the year ending 30 June 2016. The Company's revenue is mainly comprised of construction contract revenue;
- The Company's total expenses increased by approximately \$530,000 (approximately 6%) for the year ended 30 June 2016. However, the net increase was brought about by the increase in employee benefits expense of \$4.6 million and a reduction in impairment and other expense in the sum of \$4 million. The major expense for the period 1 July 2015 to 30 June 2016 is Employee Benefits Expense (including Salary and wages, Superannuation expense and other employee expenses) in the sum of \$7.9 million; and
- The Company made a net loss of \$6.2 million for the year ended 30 June 2015. However, the Company generated a net profit of \$1.4 million for the period ended 30 June 2016.

6. ASSETS AND LIABILITIES AS AT DATE OF APPOINTMENT / REPORTS AS TO AFFAIRS FOR THE COMPANY

Following our appointment as Joint & Several Voluntary Administrators, we issued a demand to the Director of the Company to deliver a Report as to Affairs ("RATA"), which details the assets and liabilities of the Company, at the date of our appointment. Below is a summary of the RATA for the Company together with our comments. It should be noted that the RATA summarises the financial position of the Company at the date of our appointment and not at the date of this Report. Furthermore, our comments in relation to the RATA figures should be taken into account.

The Director's RATA is as follows:

	Notes	Book Value/RATA as at 26 April 2017 (\$)	Estimated/ Realisable Values (\$)
<u>Assets</u>			
Cash at Bank	6.1	Nil	Nil
Debtors	6.2	12,089,240*	1,994,593
Total		12,089,240	1,994,593
<u>Assets Subject to Specific Security</u>	6.3		
Cash on Hand/Cash at Bank	6.3.1	1,359,707	1,359,707
Interest in land	6.3.2	325,000	325,000
Plant & Equipment	6.3.3	TBA	35,000
Total Assets		13,773,947	3,714,300
<u>Liabilities</u>			
Secured Creditor Claim	6.4	374,406	2,300,732
Shortfall to Partly Secured Creditors	6.5	1	22,825
Employee Creditors	6.6	311,008	319,395
Unsecured Trade Creditors	6.7	24,547,473	26,002,562*
Unsecured Statutory Creditors	6.7	2,055,653	1,506,113
Related Party Unsecured Creditors	6.8	3,025,534	7,904,637
Contingent Liabilities	6.9	3,505,592	TBA
Total Creditors		33,819,667	38,056,264
Deficiency to Creditors before costs		(20,045,720)	(34,341,964)

*The amount recorded for debtors in the Director's RATA does not appear to take into account subcontractors charges and deeds of settlement and release signed with debtors prior to our appointment. Creditors are referred to Section 6.2 for further information. Conversely the amount recorded for unsecured trade creditors does not include a reduction in debt for those creditors who receive payments directly from debtors of the Company.

We comment on the RATA as follows:

6.1 Cash on Hand/Cash at Bank

Prior to our appointment, the Company held its banking facilities with NAB and operated an overdraft that could be overdrawn to maximum of \$450,000. We have reviewed Company's records which indicate that, as at the date of our appointment the Company's account was in overdraft in the amount of \$369,154.42.

Accordingly, no amounts were realised from amounts held in the Company's pre-appointment bank account. Creditors are directed to Section 6.3.1 for details of cash held on deposit with NAB to secure their facilities.

Creditors are advised that we have written to all major banks within Australia seeking that they identify any accounts in the name of the Company and that they advise us of any such accounts.

Our investigations to date have not identified any other accounts held in the name of the Company.

6.2 Debtors

Debtors at the date of our appointment comprised outstanding progress claims and Retentions due to the Company at the conclusion of relevant defect liability periods. Set out below is a summary of the debtors, as detailed in Company records, at the date of our appointment:

Item	Book Value (\$)	ERV (\$)
Progress Claims	10,583,244	7,224,077
Retentions	2,909,960	1,558,321
TOTAL	13,493,204	8,782,398

A review of the debtors identified receipts prior to our appointment and/or claims against the Company that had not been processed. Accordingly, this reduced the Director's Book Value and ERV of the Progress Claims to the following amounts:

Item	Amended Book Value (\$)	ERV (\$)
Progress Claims	10,396,844	7,116,699
Retentions	2,909,960	1,558,321
TOTAL	13,306,804	8,675,020

Set out below is a summary of the ageing of outstanding progress claims as at the date of our appointment:

Progress Claims	\$	%
Current	10,978	0.1%
30 days	413,349	4.0%
60 days	2,573,194	24.7%
90 days	6,883,585	66.2%
>90 days	515,738	5.0%
Total	10,396,844	100.0%

As creditors are aware in early February 2017, the Director of the Company determined that it would not be able to pay subcontractors, suppliers and consultants on the various contracts and therefore was unable to sign off on statutory declarations to accompany relevant progress claims. Accordingly, the Company entered into a Deeds of Release and Settlement with several debtors. The effect of the Deed of release and settlement was that the contract was brought to an end and in consideration of the parties entering into the Deed the Company released the debtor from the debts due to the Company and the debtor agreed to pay the subcontractors, suppliers and consultants identified in the contracts.

Set out below is a summary of the deeds of release and settlement that the Company entered into prior to our appointment:

Date	Debtor	Project
Undated	Western at Chermside Pty Ltd	26 – 28 Western Avenue, Chermside
2 March 2017	PHCK 2 Holdings Pty Ltd	66 Lambert Street, Kangaroo Point
Undated	Hilltop JV Pty Ltd	61 – 65 Hilltop Avenue, Chermside
10 February 2017	Alton Edition Pty Ltd	164 Government Road, Richlands
22 February 2017	156 Progress Road Pty Ltd	156 – 178 Progress Road, Richlands
Undated	Tryon Developments (Qld) Pty Ltd	Mahogany Project

Had the Company not entered into the deeds of release and settlement, any amounts due under the contract would likely not be collectible by the Company or any other 3rd party and the amount due to unsecured creditors would likely be

significantly higher. This is because it appears the cost of completing the projects left unfinished by the Company, and the application of damages for delay, will exceed the balance contract price that would be payable to the Company.

Creditors are directed to Section 8.8 of this report for further information in relation to amounts paid directly to from debtors to creditors prior to our appointment. We have considered seeking to set aside the deeds of release and settlements however we consider that in the event the contract had been terminated by the debtor any amounts due to the Company, or any other 3rd party would likely have withheld pursuant to the terms of the contract until another builder had been engaged to complete the works. As such, the value to the Company is not from the flow of funds but rather the reduction of unsecured creditor claims.

A number of subcontractors have also claimed charges pursuant to Section 10 of the *Subcontractors Charges Act 1974*. Pursuant to these claims, the debtor must take the necessary steps to see that the money that is payable by the debtor to the Company is paid to the subcontractor.

Detailed below is a summary of Director's amended ERV allocated between amounts due to the Company and amounts to be paid by debtors directly to subcontractors, suppliers and consultants either pursuant to a Deed or charge:

	Directors' ERV (\$)	Amounts to be paid by debtor to subcontractors and suppliers (\$)	Amount due to Company (\$)
Progress Claims	7,116,699	(6,031,807)	1,084,892
Retentions	1,558,321	(648,620)	909,701
TOTAL	8,675,020	(6,680,427)	1,994,593

The net Retentions are due to the Company as follows:

Quarter Ended	Amount (\$)
June 2017	99,177
September 2017	125,891
December 2017	545,819
March 2018	48,815
June 2018	89,999
TOTAL	909,701

In addition to the amounts detailed above in relation to retentions due the Company also held bank guarantee facilities with the NAB and a surety bond facility with Assetinsure. The purpose of those facilities was to assist the cash flow of the business operations.

The facilities worked by allowing the debtor to release a retention due to the Company prior to the expiration of the defects liability period in exchange for a bank guarantee or surety bond which could be cashed in the event the Company did not comply with the obligations under the building contract. Set out below is a summary of bank guarantees and surety bonds issued as at the date of our appointment:

Item	Amount (\$)
Bank Guarantees	2,564,123
Surety Bonds	2,661,843
TOTAL	5,225,966

Given the amount due to the Company has already been received, the bank guarantees and surety bonds do not represent assets of the Company. In the event the guarantees of bonds are cashed by clients it will increase the Company's liabilities. Creditors are directed to Section 6.3.1 of this report for further information in relation to the bank guarantee and surety bond facilities.

We confirm that as at the date of this report we have recovered one (1) debtor in the amount of \$64,788. In the event the Company is wound up and unable to attend to the necessary rectification and defect works it is likely that the recoverable amount of progress claims and retentions will reduce significantly as debtors will be entitled to draw on the funds held to fund the cost of works the Company is unable to complete. Should creditors vote in favour of the Company executing the Deed as proposed the chances of the recoverability of the ledger are increased and the costs to rectify any defects will be borne by Onterran.

6.3 Assets Subject to Specific Security

On 28 July 2015 the Company granted the NAB an "All PAP No Except" Registered Security Interest over all its assets and undertakings. In summary the NAB provided the Company with the following facilities as at the date of our appointment:

Facility	Amount (\$)
Overdraft	369,156
Bank Guarantee Facility – potential exposure	2,564,122
Total Debt	2,933,278

Please see below for details of the Company's assets that are subject to NAB's interests.

6.3.1 Cash held on deposit

Pursuant to the terms of the bank guarantee facility provided by the NAB, the Company provided the following term deposits to be held in favour of NAB to protect the NAB's position in the event guarantees are called upon:

Term Deposit #1	605,625
Term Deposit #2	754,082
TOTAL	1,359,707

We confirm that some guarantees have already been called upon and as such it is likely that the NAB will call upon the term deposits held in their favour to protect their position. As at the date of this report we are aware that bank guarantees totalling \$1,270,930 have been called upon.

It is unlikely that any funds will flow to the Company from the term deposits held should the company be wound up. If all the costs of the defects are met by Onterran under the proposed DOCA then the funds should flow to the Company for the benefit of creditors.

6.3.2 Interest in land

The Director has indicated that the Company is registered on the title of two (2) properties located in Roma, QLD. Set out below is a summary of those properties:

Property	Listing Price (\$)
121 Bowen Street, Roma	105,000
8 Clearview Drive, Roma	220,000
Total	325,000

121 Bowen Street, Roma is a parcel of land currently listed for sale with Ray White, Roma. We did not obtain a formal valuation on this property as it is

subject to NAB's security who advised that a valuation was most recently obtain in October 2016 and they did not foresee the requirement for a new valuation.

We have instead liaised with the listing agent, in relation to the property market and obtained their market appraisal. So not to prejudice any future sale we do not propose to disclose the details of Ray White's appraisal.

The NAB and/or the Company appear to have failed to register the NAB's mortgage on title prior to the lodgment of caveats from several of the Company's unsecured creditors. We understand that the matter is subject to further action from the NAB. Set out below is a summary of all caveats lodged on the title of the property as at the date of this report:

Date	Lodger
13 February 2017	Showrama Products Pty Ltd
15 February 2017	Finlayson Timber & Hardware Pty Ltd
15 February 2017	Stoddart (S.E. Queensland) Pty Ltd
17 February 2017	Hanson Construction Materials Pty Ltd
17 February 2017	Big River Group Pty Ltd
17 February 2017	Bunnings Group Ltd

In the event the property is sold there is unlikely to be any equity proceeds having regard to NAB's, at this stage, unregistered mortgage and the six (6) caveats lodged on title.

8 Clearview Drive, Roma is a residential property currently listed for sale with Ray White, Roma. As with 121 Bowen Street we did not obtain a formal valuation on this property as it is subject to NAB's security who advised that a valuation was most recently obtain in October 2016 and they did not foresee the requirement for a new valuation.

We have instead liaised with the listing agent, in relation to the property market and obtained their market appraisal. So not to prejudice any future sale we do not propose to disclose the details of Ray White's appraisal.

The NAB registered their mortgage on the title of the property on 3 February 2017. Set out below is a summary of all mortgages and caveats registered on the title of the property as at the date of this report:

Date	Lodger
13 February 2017	Showrama Products Pty Ltd
15 February 2017	Finlayson Timber & Hardware Pty Ltd
15 February 2017	Stoddart (S.E. Queensland) Pty Ltd
17 February 2017	Hanson Construction Materials Pty Ltd
17 February 2017	Big River Group Pty Ltd
17 February 2017	Bunnings Group Ltd

In the event the property is sold there is unlikely to be any equity.

6.3.3 Plant & Equipment

Immediately upon our appointment we engaged Hymans Valuers & Auctioneers ("Hymans") to catalogue and value all Company plant and equipment, set out below is a summary of their valuation:

Item	Market Value (\$)	ERV (\$)
Plant & Equipment subject to Rentmax / Capital Finance security	98,500	81,500
Plant & Equipment free from specific charges	37,930	27,065
TOTAL	136,430	108,565

Creditors are directed to Section 6.5 of this report for further information in relation to the plant and equipment encumbered to Rentmax / Capital finance.

The balance of plant and equipment is subject to NAB's non-circulating security interest.

6.4 Secured Creditor claim

The NAB has submitted a proof of debt in the matter in the amount of \$2,300,732. This amount is subject to ongoing interest and change as bank guarantees are called upon and/or securities are realised.

6.5 Shortfall to Partly Secured Creditors

Prior to our appointment, the Company granted registered Security Interests to various financiers in relation to its asset financing arrangements. As a result of entering into such agreements, those financiers have Purchase Money Security Interests ("PMSI") with respect to the relevant assets (i.e. the relevant financier is able to secure the amount of its debt against the asset for which it has provided finance).

We summarise the known amounts outstanding, together with the value of the assets subject to their security, below:

Financier	Asset	ERV (\$)	Payout (\$)	Lease Equity / Deficiency (\$)
Rentmax (Capital Finance)	Enforcer FD25T Forklift	7,000	11,478	(4,478)
Rentmax (Capital Finance)	Enforcer FD25T Forklift	7,000	11,478	(4,478)
Rentmax (Capital Finance)	Chicago Diesel Compressor	10,000	6,785	(3,215)
Rentmax (Capital Finance)	Manitou MT523 Forklift	10,000	14,311	(4,311)
Rentmax (Capital Finance)	Manitou MT523 Forklift	10,000	14,311	(4,311)
Rentmax (Capital Finance)	Genie Telehandler	20,000	22,981	(2,981)
Rentmax (Capital Finance)	Genie Telehandler	17,500	22,981	(5,481)
TOTAL		81,500	104,325	(22,825)

We have issued where applicable, notices pursuant to Section 443B(3) of the Act informing the above financiers that neither the Company nor the Voluntary Administrators' intend to exercise property rights in relation to the above assets as the realisable value of these assets is less than the claims of the financiers.

The financiers may deal with their assets as they see fit. As at the date of this report, we have not received an accounting from Rentmax and/or Capital Finance.

6.6 Employee Creditors

6.6.1 Preferred Creditors

The Director estimated the employee claims at the date of our appointment totalled \$311,008 comprising superannuation, accrued annual leave, accrued long service leave, redundancy and Payment In lieu of Notice.

As previously discussed upon our appointment we made seven (7) staff redundant and five (5) employees continued their employment during the administration period.

Set out below is a summary of the outstanding employee entitlements as per Company records:

CATEGORY	DIRECTOR'S BOOK VALUE (\$)	EXCLUDED EMPLOYEE AMOUNT (\$)	ADMINISTRATORS' ESTIMATED VALUE (\$)
Superannuation	7,044	Nil	7,044
Wages	Nil	Nil	7,721
Annual Leave	66,972	Nil	66,972
Long Service Leave	10,660	Nil	10,660
PILN*	67,988	(7,200)	60,788
Redundancy	158,344	(21,600)	136,744
Total	311,008	(28,800)	289,929

* PILN = Payment In Lieu of Notice

The amount recorded for superannuation is per Company records. During the course of the administration we have received proofs of debt from former contractors of the Company claiming \$37,295.34 in outstanding superannuation, in addition to the amount disclosed in the above table. We have raised the matter with the Company, who have indicated that the amount claimed by former contractors is not outstanding. We are currently reviewing the claims received.

The above estimates are preliminary and based on current information available to us. To date, we have not formally adjudicated on priority employee claims and intend to do so for voting purposes only at the forthcoming meeting of creditors.

Whilst we recommend the Company execute a DOCA, it should be noted that the employees may only lodge a claim through the Fair Entitlements Guarantee ("FEG") if the Company is wound up. Should FEG pay any employee entitlements in respect of which employees would otherwise be entitled to priority under Section 556 of the Act, then they will be entitled to participate in lieu of the relevant employees in respect of any monies so paid.

We note that FEG does not cover those amounts owing for superannuation.

6.6.2 Excluded Employees

Section 556 of the Act defines excluded employees as those employees who were, at the date of our appointment as Administrators, a Director of the company or a direct relative of a Director of the company, as well as those employees who were, in the twelve (12) months preceding our appointment, a Director of the company or a spouse or a relative of a Director of the company.

The Act limits the priority claims of each excluded employee to a statutory amount of \$2,000 for the total of unpaid/underpaid wages and SGC amounts (Subsection 556(1A)). The Act also limits the priority claims of each excluded employee to a statutory amount of \$1,500 for the total of leave benefits (Subsection 556(1B)). Directors and their spouses or relatives are not entitled to any priority retrenchment pay for the period they are a Director, spouse or relative of a Director. Accordingly our estimates of priority entitlements include only the entitlements to the non-excluded employees.

We note that neither Mr Bloomer nor Mr McIntosh is recorded as employees of the Company. The excluded employee amounts detailed in the above table relate to Mr Bloomer's son, a former employee of the Company.

6.7 Unsecured Creditors

We summarise the estimated unrelated unsecured creditors below:

Unsecured Creditors	Book Value (\$)	POD*/ Administrators' Estimate (\$)
Trade & Expense Creditors	24,547,473	26,002,562
Deputy Commissioner of Taxation	1,321,295	928,858
Office of State Revenue	734,358	TBA
Total	26,603,126	26,931,420

*POD = Proof of Debt

Attached as **Annexure "A"** is a summary of all unsecured creditor claims we are aware of. We note that this list is draft only and will change materially as proofs of debt are finalised and lodged.

The list does not, at this stage, account for all amounts paid from debtors to creditors of the Company.

We have not formally adjudicated on unrelated unsecured creditors' claims and intend to do so for voting purposes only at the forthcoming meeting of creditors.

6.8 Related Party Unsecured Creditors

In the RATA the Director has disclosed an amount of \$3,008,547 as owing to related entities. Set out below is a summary of claims received from related parties to date:

Related Party Unsecured Creditors	RATA Value (\$)	POD*/ Administrators' Estimate (\$)
Eden Bloomer Pty Ltd	196	5,572
Gemlava Pty Ltd	1,789,372	3,464,405
Kurrewa Holdings Pty Ltd	16,987	16,351
Onterran Ltd	34,476	3,233,806
Wayne Norman Bloomer	1,184,503	1,184,503
Total	3,025,534	7,904,637

*POD = Proof of Debt

We comment on each related party creditor hereunder:

6.8.1 Eden Bloomer Pty Ltd ("EB")

EB has submitted a POD in the amount of \$5,572. This claim relates to amounts owing under the lease agreement between EB and the Company for the leased premises located at Unit 3, 4 Kyabra street, Newstead. We have been provided with sufficient documentation to support this debt and are of the view that EB have a valid claim against the Company.

6.8.2 Gemlava Pty Ltd ("Gemlava")

Gemlava has submitted a POD in the amount of \$3,464,405 in relation to amounts advanced to the Company from July 2016 to December 2016. Set out below is a summary of the transactions between the Company and Gemlava:

Date	Funds paid to Gemlava (\$)	Funds received from Gemlava (\$)	Balance
7 July 2016		1,000,000	1,000,000
8 July 2016		670,000	1,670,000
18 October 2016		1,000,000	2,670,000
20 October 2016		1,000,000	3,670,000
21 October 2016	2,000,000		1,670,000
10 November 2016		1,000,000	2,670,000
11 November 2016		1,000,000	3,670,000
14 November 2016	1,000,000		2,670,000
15 November 2016		500,000	3,170,000
28 November 2016		500,000	3,670,000
30 November 2016	1,500,000		2,170,000
1 December 2016		1,500,000	3,670,000
TOTAL	4,500,000	8,170,000	3,670,000

Gemlava also registered an "ALL PAAP – No exceptions" PPSR against Company assets on 23 December 2016, after the funds had been advanced to the Company. We consider that the charge is voidable and not enforceable.

The payments do reconcile to Company bank statements and loan agreements provided and we consider that Gemlava has a valid unsecured claim against the Company.

6.8.3 Kurrewa Holdings Pty Ltd ("Kurrewa Holdings")

We have received a POD in the amount of \$16,351 for the outstanding lease obligations for both the Loganholme premises, Unit 19 /17 Cairns Street, and the Capalaba Premises, Unit 13/ 178 Redland Bay Road. We confirm that copies of statements and invoices have been provided to support the amount claim and we consider that Kurrewa Holdings have a valid claim against the Company.

6.8.4 Onterran

Onterran has submitted a POD in the amount of \$3,233,806 for a number of loans provided to the Company to fund various projects. To date, no documentation has been received to support this claim and as such we are unable to make an accurate assessment on the validity of this claim.

6.8.5 Wayne Norman Bloomer

Wayne Bloomer has submitted a POD in the amount of \$1,184,503, detailed as follows:

Item	Amount (\$)
Loan Advance	1,000,000
Personal credit card used for Company expenses	184,503
TOTAL	1,184,503

We have been able to confirm the \$1,000,000 advanced to the Company from Mr Bloomer, however the claim for the use of a personal credit card is unclear at this stage. We have received the credit card statements and we are reviewing the transactions to determine what charges relate to the Company.

We note that related party POD's have not been formally adjudicated upon at this stage. In the event creditors resolve to accept the DOCA, as proposed all related parties will not participate in any distribution from the DOCA fund.

6.9 Contingent Liabilities

The Director recorded the following contingent liabilities in his RATA:

Contingent Liability	Amount (\$)
NAB (Bank Guarantees)	1,959,240
AssetInsure (Surety Bonds)	1,546,352
TOTAL	3,505,592

The amounts due to the NAB have been included at Section 6.4 above and the liability to AssetInsure will be unclear until such time as all bonds are returned or called upon.

The QBCC has also been recorded as contingent creditor of the Company for any works that may need to be completed pursuant to the QBCC's insurance policy for former customer of the Company.

It is currently unclear the number or quantum of claims that may be made against the QBCC's policy.

7. ADMINISTRATION PERIOD

7.1 Strategy for Voluntary Administration

At the date of our appointment, the Company was not taking on new work and was operating with a 'skeleton' staff. Administrators are only able to trade on a company in these circumstances if they have sufficient financial resources either from the company's income and assets or from external sources.

Given this trading status and the Deed of Indemnity and Guarantee provided to the Administrators by Onterran, we decided to trade the Company on a limited basis with the focus being on retaining staff mainly for the purpose of coordinating any defects work and assisting in the collection of debtors. The costs of the Administration, including payment of wages have been met by the indemnity of Onterran referred to in the DIRRI issued to creditors on 28 April 2017.

Immediately upon our appointment, we:

- Attended the premises to recover books and records and establish Company's financial position.
- Announced our appointment on the Company's website.
- Carried out a backup of the Company's internal accounting software, server and emails.
- Issued notifications to all relevant taxation and utility stakeholders including the Company's current and previous officers from whom a Questionnaire and RATA had been demanded (and subsequently received).
- Established the asset and liability position of the Company, in particular debtors and work in progress.

Further details of our acts and dealings as Voluntary Administrators follow. This is merely a brief summary of what has occurred in relation to the Administration of the Company. In practice, a significant amount of time has been incurred by our staff and us in working with the intention of keeping the Company trading and preserving its goodwill.

7.1.1 Winding Up Hearing

Upon our appointment, we were advised by Onterran that they wished to propose a DOCA. At the time of our appointment, the Company's lawyers Mills Oakley were acting for and continue to act for Onterran. In this respect and in order to avoid any conflict issues, we instructed alternative legal counsel, Thynne & Macartney Lawyers.

At the time of our appointment, the issue of the Company's winding up petition hearing occurring within 10 days of our appointment meant that it was necessary for us to engage Mills Oakley specifically in relation to the winding up hearing only, given they had been acting for the Company prior to our appointment. We communicated extensively with the petitioning creditors and their solicitors prior to the winding up hearing to seek an adjournment in order to provide an opportunity for the voluntary administration process to proceed and for creditors to determine the Company's future. It was necessary for us to engage legal counsel to prepare for and attend the hearing at Brisbane Court on 5 May 2017. An Affidavit with supporting information was lodged with the Court prior to the hearing. The information provided by us in relation to the hearing was not a final or audited position but was the Director's best estimate at that point in time of the Company's financial position.

Legal counsel for the petitioning creditor Hume Doors & Timber (QLD) Pty Ltd initially proposed that the hearing be adjourned for a period of 7 days. We considered this proposal to be without merit as it would potentially not allow sufficient time for us to provide creditors with information sufficient to allow creditors to make an informed decision on the Company's future.

Subsequently, following the filing of the Administrators' affidavit and negotiations that had taken place with the petitioning creditors' solicitors, all parties consented that the hearing be adjourned on the following basis:

- That the hearing be adjourned to 31 May 2017.
- That the second meeting of creditors in the Voluntary Administration to be held pursuant to Section 439A of the Act not be held prior to 1 June 2017.
- That the Voluntary Administrators will not provide their consent under Section 437F of the Act to a transfer of shares held by Onterran in the Company without first providing 7 days' notice to the petitioning creditor of their intention to do so.
- That the Voluntary Administrators are to file and serve any affidavit material in relation to the adjourned hearing on 31 May 2017 by 25 May 2017.
- That costs be reserved.

The above was formalised by an Order of the Court.

We advise that we will engage Thynne MaCartney should we consider it necessary to make an application to further adjourn the adjourned hearing on 31 May 2017. The adjourned hearing is due to take place one day before creditors are due to decide the Company's future.

7.1.2 Assets

Upon our appointment, we have:

- Instructed Hymans Valuers & Auctioneers ("Hymans") agents to provide us with a valuation of the Company's tangible encumbered and unencumbered assets. We have received this from Hymans and refer to Section 6.3.3 of this Report in that regard.
- Reconciled all Debtors (specifically Progress Claims and Retentions) outstanding at the date of our appointment and issued demands to all Debtors. We refer to Section 6.2 in relation to the Company's debtor ledger.

- Reconciled and assessed all works in progress at the date of our appointment. Where it has been profitable and to the benefit of the Company to do so we continued the process of completing works in progress where possible.
- Reviewed all bank guarantees and performance bonds to establish outstanding tasks and/ or payment of monies required to release the bonds.

7.1.3 Employees/ Staffing

At the time of our appointment there were twelve (12) staff remaining. We have retained certain staff to assist with the Voluntary Administration, specifically in the collection of Debtors, continue the carrying out and completion of work in progress (defect rectification) and generally assist us with our investigations.

Having regard to the scope of work required in the Administration period, it has been necessary for us to terminate seven (7) staff and retain five (5) staff. We take this opportunity to thank the Company's terminated and remaining staff for their assistance during this difficult period.

We have engaged a registered liquidator to assist us with our investigations (billed at staff rates) as well as assist with progress claims and retention realisations.

7.1.4 Atlas Gantt

We have engaged Mr Berry of Atlas Gantt to identify and/or recover Assets, including debts/bonds/retentions and to do all things necessary to complete this engagement. This engagement has been made with regard to Mr Berry's general knowledge of the Company and its operation which we are utilising to the advantage of the Company. His engagement includes but is not limited to:

- Analysing the recoverability of Assets, including but not limited to project debtors, retentions, disputes, securities and guarantees.
- Engage with all stakeholders.
- Inspect any contract of the Company;
- Inspect the books and records of the Company; and
- Make onsite visits (if required).

Whilst Mr Berry is assisting us, no agreement can be made with any debtor/customer of the Company without our consent.

Atlas Gantt's costs and expenses are being paid by Onterran at no cost to the Administration. The terms of this engagement may be renegotiated after the Company's future is known.

7.1.5 Onterran

It has been essential to understand the ability for Onterran to satisfy a Deed of Cross Guarantee made in favour of the Company on 21 October 2016. In order to assess if and how it is material to the benefit of the Company and its future. In this respect, we have engaged independent accountant Mr Peter Watson of David Hicks & Co to review Onterran's financial position and issue special purpose report on its ability to meet said cross guarantee. This is a crucial factor in us determining whether we can make a recommendation to creditors whether a restructure of the Company through a proposed Deed of Company Arrangement is in their interests.

The credentials of David Hicks & Co within the building industry have been an important factor in engaging that firm. It is possible that the information provided by them will be referred to if we deem it necessary to make an application to further adjourn the Winding Up hearing on 31 May 2017. We consider the information provided by Mr Watson as being material to creditors being able to make an informed decision as to the future of the Company and the financial

position of its owner Onterran. Our Lawyers (Thynne & Macartney) have also been specifically instructed to review the Cross Guarantees to identify issues that might financially impact the Company.

In order that we were able to appropriately assess the viability of Onterran's ability to satisfy its guarantee to the Company, it has been necessary to review past guarantees given by Onterran against the related corporate entity Pivot Way Pty Ltd as well as the related subsidiaries, Nomad Properties Pty Ltd, Nomad Group Pty Ltd, NB Modular Pty Ltd, Rapley Wilkinson Pty Ltd and Lifestyle Living Solutions Pty Ltd. This is also relevant as the nature of cross guarantees means that both Onterran and the Company would be liable for the same debt subject to the guarantee.

It has also been necessary to investigate details of payments, dividends or asset transfers made to said subsidiaries and/ or Kurrewa Holdings Pty Ltd in its corporate capacity and as trustee for the BCQ Family Trust within the last 12 months, the asset position of each of the subsidiaries, details of any party that purchased the related party NE States Pty Ltd (formerly Nomad Eastern States Pty Ltd) and confirmation that transaction was at arm's length and for market value. Details of any other entity subject to cross guarantee or similar instrument with Onterran have also been investigated.

Details of Onterran's financial position and how it materially affects the Company and its future are provided in Section 8.4 of this Report.

The Deed of Cross Guarantee has been made at the behest of the QBCC along with deeds of covenant and assurance from Wayne Bloomer, Lachlan McIntosh, Pivot Way Pty Ltd and Onterran. We have been liaising with the QBCC in relation to the Deed of Cross Guarantee and the deeds of covenant and assurance.

7.1.6 Insurance Policies

We have specifically looked into and received legal advice as to Directors' and Officers' ("D&O") insurance policies that may be relevant to the Company. In summary, we are able to advise in general terms that:

- A D&O Policy is held by Onterran which affects the Company.
- With regard to the Company's officers and said D&O Policy, any Liquidator appointed to the Company would have access to the policy for 'Wrongful Acts' by the Company's officers. 'Wrongful acts' could include error, misstatement, misleading statement, neglect, breach of trust and breach of warranty. An insolvent trading claim by a Liquidator would fall within the scope of the policy.
- The D&O Policy does not cover the conduct of Onterran (i.e., if a Liquidator asserted that Onterran was a de-facto director of the Company).
- The D&O Policy provides cover up to a limit of \$20 million.
- If the elements of an insolvent trading claim were met, then upon a demand of claim by a Liquidator, it would be open to the Company's officers to claim under the D&O policy.
- It should be noted that the insurer would subrogate to the Director(s) position(s) to defend the Liquidator(s) claims and to indemnify them for a settlement/ judgement up to limit of cover. Any such claim may likely be defended by the insurer. Further, the D&O policy only responds to claims for indemnity made by the Directors.

- Unless the Director(s) make a claim against the policy, then it is likely that a Liquidator would not be able to join the insurer to any proceedings filed at (a Queensland) Court. The Insurer might also reject any claim and refuse to provide insurance cover because of an exclusion or other reason under the policy, which we cannot presently anticipate.

We consider it premature to present a definite view as to whether an insolvent trading claim and subsequent claim against the policy is applicable at this stage. We refer creditors to Section 8.10 of this Report for more specific information regarding insolvent trading.

7.1.7 Deed of Company Arrangement

A Deed of Company Arrangement is fundamental to ensuring the Company's future. We have therefore been working with Onterran as the proposer of the DOCA in relation to the mechanics of the Deed of Company Arrangement and providing them with feedback as to what we would consider we could recommend to creditors. We refer to Sections 9 and 10 of this Report in that regard.

7.1.8 Other Matters

At the time of our appointment, there was a directions hearing brought by the Company against the QBCC in relation to Directions to Rectify which were on foot at the time of our appointment with QCAT. The QBCC refused to allow the proceeding to be stayed pursuant to section 440D of the Act and as such we have been liaising with QCAT and the QBCC in relation to the matters on foot including attending one (1) hearing. The QBCC matter has been adjourned off until 14 June 2017 which allows time for the second meeting.

Pursuant to Section 126 of the Land Title Act 1994 (Qld) it is required that proceedings be commenced within 3 months to prevent a caveat from lapsing. We have been liaising with certain creditors regards the continuation of such proceedings that were on foot at the time of our appointment.

7.1.9 Investigations

We refer to Section 8 of this Report regarding our investigations into the Company and its Directors. Creditors are encouraged to read and understand this section of the Report and make any enquiries with us as you deem necessary as this information is crucial to providing creditors with information to enable an informed decision being made into the Company's future.

It was brought to our attention at the time of our appointment via an announcement on the Subbies United website that "8.5 million had been paid to subcontractors and suppliers with a further 2.5 million due soon". We have consequently had numerous queries from sub-contractors as to the status of our investigations into unfair preference payments and specifically whether they may be affected. Our conclusions are specifically referred to at Section 8.8 of this Report. As a general comment, we advise that there is more to establishing a potential unfair preference claim than merely identifying payments that have been made in the 6 month period prior to our appointment or the total sum of payments made to suppliers reducing. All potential claims have been properly reviewed.

7.2 Trade on period (Limited Capacity)

In the first week of trading, we contacted the Company's core suppliers and trading partners to ensure the Company kept operating as usual. As advised, trading activities have been limited to the completion of outstanding works where applicable.

There has been no requirement for us to maintain any encumbered plant & equipment to complete outstanding works and remain operational. Accordingly, all unequitable plant & equipment subject to finance/ lease agreements that was occupied by the Company at the date of our appointment has been effectively disclaimed.

We advise creditors that the purpose of trading on in a limited capacity is to maintain the value of the debtors and retentions.

We have noted that there has been certain press coverage of the Voluntary Administration of the Company. In this respect, creditors should refer to this Report in regard to the present position in the Voluntary Administration and contact us if you have any enquiries regarding the Voluntary Administration.

7.3 Secured/ Partly Secured Creditors

The Company's bankers National Australia Bank Ltd ("NAB") are an extremely important stakeholder and we have ensured that they have been kept fully apprised during this process. We have also, pursuant to Section 440B of the Act, consented to NAB taking any and all action it desires to enforce its securities at any time during the Voluntary Administration of the Company. This has not happened to date and NAB confirmed to us in respect to the winding up hearing on 5 May 2017 that it had no objection to the hearing being adjourned to allow the Voluntary Administration process to proceed with a view to NAB maximising its financial return.

There are also a considerable number of other securities registered against the Company all of which are referred to in Sections 4.6 and 6.3 of this Report. The majority of these security interests relates to "Other Goods" whereby a supplier has been granted a security interest on goods or stock provided. In this respect, there were generally no goods or stock held by the Company at the time of our appointment as they had all been used to fulfil orders.

7.4 Sale of Business as a going concern

Where a Voluntary Administrator is appointed to a Company, consideration is usually given to commencing a campaign for the sale of a trading Company's businesses on a going concern basis. The issue was not straightforward. In particular, consideration has had to be given to the following factors:

- It is possible that contracts with the customers would be terminated and that the Company's customers would seek alternative trading partner(s).
- The circumstances of this particular appointment dictate that time is of the essence. A proper marketing campaign for the sale of the businesses and assets, of the Company through to the completion of a sale, would likely take considerably longer than the time scale allowed under the voluntary administration regime. Carrying out a sale and marketing campaign in the relatively short time provided for is not practically possible.
- We believe that it is unlikely, in the current economic climate, that any offer for the Company's businesses and assets will be in excess of the amount owed to NAB.
- The trading activity of the Company is limited to just completing existing works. No new work has been undertaken since January 2017 and we note that there are strict licensing requirements for building work.

Given these circumstances, the Administrators have not embarked upon a sale campaign, with respect to the Company.

7.5 Administrators' Receipts and Payments

We summarise as **Annexure "B"** an account of receipts and payments for the Company for the period 26 April 2017 to 24 May 2017.

In summary, as at 24 May 2017, we have available funds of \$135,635.18.

8. INVESTIGATIONS AND FUNDING REQUIREMENTS

The law requires an Administrator to specify whether there are any transactions that appear to the Administrator to be voidable transactions in respect of which money, property or other benefits may be recoverable by a Liquidator under part 5.7B of the Act. This issue is relevant to creditors, because voidable transactions are only able to be challenged if a liquidation occurs.

Investigations centre on transactions entered into by the Company that a liquidator might seek to void or otherwise challenge, where the Company is wound up. Investigations allow an Administrator to advise creditors what funds might become available to a liquidator such that creditors can properly assess whether to accept a DOCA proposal or, resolve to wind up the Company.

For general information about what voidable transactions are, please refer to the information sheet attached as **Annexure "C"**. Voidable transactions identified cannot be pursued by a Deed Administrator.

We summarise below the investigations undertaken by our staff and us to date. Creditors requiring further information in relation to our investigations should contact our office in writing.

8.1 Director & Former Director ("Company's Officers")

In terms of the Company's officers, any investigations by us have been in relation to the Company's current Director and former Director, as listed on ASIC's database, that is:

Director	Date Appointed	Date Ceased
Wayne Norman Bloomer	5 February 2004	N / A
Lachlan Stuart McIntosh	1 March 2015	29 March 2017

Given the limited time available to us, we have not investigated the conduct of other previous directors of the Company.

8.2 Property & Other Searches

We have obtained property searches in all States of Australia and identified that the Company is registered on the title of the following properties:

- 121 Bowen Street, Roma in the state of Queensland; and
- 8 Clearview Drive, Roma in the state of Queensland

Creditors are referred to section 6.3.2 of this report for further information in relation to the above properties.

In addition to the above two (2) properties, we are aware that the Company leased the following premises:

- Unit 13, 178 Redland Bay Road, Capalaba in the state of Queensland;
- Unit 3, 4 Kyabra Street, Newstead in the state of Queensland; and

- Unit 19, 17 Cairns Street, Loganholme in the state of Queensland.

We understand that the Company terminated the leases at the Newstead and Loganholme premises prior to our appointment. The Company remains in occupation of the Capalaba premises.

Our review of the Company's property dealings indicate that two (2) properties located in Newstead were sold from the Company to a related entity, Eden Bloomer Pty Ltd on 4 May 2015, as detailed below:

Property Address	Date Sold	Consideration (\$)
19/4 Kyabra Street Newstead	4 May 2015	605,000
3/4 Kyabra Street Newstead	4 May 2015	522,500

Our subsequent investigations have identified that these properties were excluded from the sale of Company shares to Onterran. An independent valuation of the properties was obtained at the time of the sale and fair market value appears to have been paid. We do not consider that further investigation is required into the sale of the Newstead properties.

8.2.1 Motor Vehicle Searches

We have conducted motor vehicle searches in New South Wales, Queensland, Victoria and Western Australia to identify any vehicles held in the name of the Company.

Our enquiry with the Department of Transport & Main Roads in Queensland has identified a total of five (5) vehicles registered in the name of the Company, as detailed below:

Vehicle Details	State Registered
2005 Holden Rodeo	QLD
2000 Toyota Hilux Utility	QLD
2001 Mitsubishi Triton	QLD
2005 Nathan Box Trailer – ATM Over 1.02T	QLD
2006 Nathan Box Trailer – ATM Over 1.02T	QLD

The first three (3) vehicles listed above have been included in our assessment of plant and equipment as detailed in Section 6.3 of this report. However, as a result of our searches we have identified two (2) trailers that were not listed on the Company asset register.

We have requested further information in relation to the trailers to ensure they are catalogued and valued with other Company plant and equipment. Our preliminary assessment indicates that the trailers are of limited value and we do not consider that the trailers were intentionally concealed or removed from the Company's asset register.

The Roads and Maritime Services response from Victoria, New South Wales and Western Australia have not identified any vehicles owned by the Company.

8.2.2 Directors – Property Searches

We have conducted a search for properties held in the name of either Wayne Bloomer or Lachlan McIntosh. Our searches have failed to identify any properties held in the name of name of Mr Bloomer or Mr McIntosh.

The addresses registered to both Mr Bloomer and Mr McIntosh on the ASIC database are held solely in the name of their spouses, respectively.

Given the time restrictions we have not identified whether Mr Bloomer or Mr McIntosh have an equitable interest in either of those properties.

8.3 Assets owned by the Company Officers and Ability to satisfy judgment

We have undertaken a preliminary review of assets held in the name of Mr Bloomer and/or Mr McIntosh personally to satisfy any claim that may be brought against them. Additionally, we have reviewed the D&O policy held by Onterran which may, indemnify Mr Bloomer and Mr McIntosh for "wrongful acts" which is likely to include a claim for insolvent trading.

We advise that, in general, there is no obligation upon a Director or a related party of a Director, to provide a Voluntary Administrator with his or her personal assets and liabilities position.

Our review of their personal asset and liability positions has been limited to our own independent investigations and publicly available information. Our investigations disclose Mr Bloomer and Mr McIntosh's personal assets as comprising the following:

8.3.1 Wayne Bloomer

Asset	Amount (\$)
HB Partners Queensland Pty Ltd (10 Shares)	Unknown
Berge St Pty Ltd (10 Shares)	Unknown
Bloomer Investments Pty Ltd (5 Shares)	Unknown
Resisites Australia Pty Ltd (4 Shares)	Unknown
Kurrewa Holdings Pty Ltd (8 Shares)	Unknown
Waterford Park Holdings Pty Ltd (1 Share)	Unknown

We note that Mr Bloomer has indicated to creditors and our office that he intends upon presenting a debtors position in relation to his personal affairs in the near future.

8.3.2 Lachlan McIntosh

Asset	Amount (\$)
Isakath Pty Ltd (1 share)	Unknown

We do not have access to current financial information for any shares that are held by Mr Bloomer or Mr McIntosh, in private entities, as such, we are unable to estimate the value of their shareholdings. We also note that Mr Bloomer or Mr McIntosh may be beneficiaries to property and other assets held though personal superannuation and/ or trust scheme(s).

Our preliminary investigations indicate that both Mr Bloomer and Mr McIntosh ran reasonably sophisticated business operations and may have, quite deliberately, asset planned to ensure that they held minimal assets in their name to protect themselves from insolvency events. Asset planning is not illegal and we have no evidence to indicate that any significant assets have recently been removed from the name of Mr Bloomer or Mr McIntosh.

8.3.3 Directors' & Officer's Policy

We refer to our comments at Section 7 in relation to the D&O Policies held by Onterran in relation to Mr Bloomer and Mr McIntosh. There are strict rules and regulation regarding the disclosure of these types of policies and as such we will limit our comments to the following:

1. A policy is in place;

2. Our legal advice indicates that the policy would likely extend to Mr Bloomer and Mr McIntosh in the event an insolvent trading claim or other “wrongful acts” claim was brought against them;
3. The policy is unlikely to extend to an insolvent trading claim brought against Onterran; and
4. It would be at the discretion of Mr Bloomer and/or Mr McIntosh to call upon the policy, a liquidator would be unable to claim against the policy directly.

8.4 Ability of Onterran to meet amount due under cross guarantee

As previously discussed, the Company and Onterran entered into a deed of cross guarantee on 27 October 2016. By the cross guarantee, Onterran guarantees the payment of “debts” owed to each of the Company’s creditors as provable in the winding up of the Company.

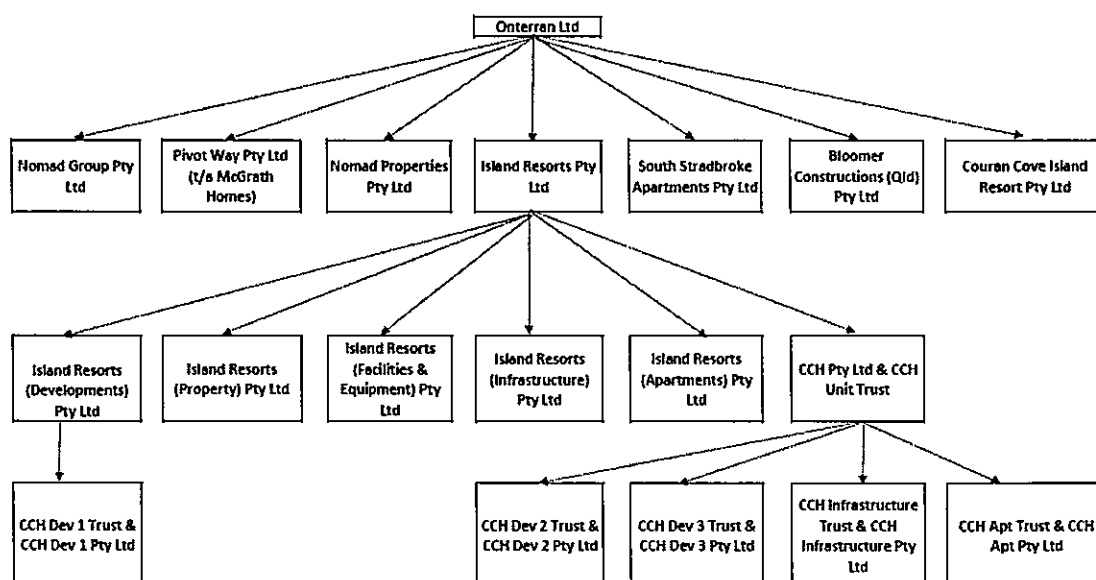
Conversely, by the cross guarantee, the Company guarantees the payment of “debts” owed to each of Onterran’s creditors as provable in the winding up of Onterran.

We have sought legal advice on the deed of cross guarantee which confirmed that in the event the Company is wound up creditors would be entitled to call upon the guarantee immediately. The guarantee is only triggered in the event the Company is wound up, that is the guarantee could not be called upon if creditors resolve to accept the Deed, as proposed.

Onterran’s chairman, Mr McIntosh, has advised that in the event the guarantee was called upon Onterran would have solvency concerns of their own and would likely resolve to appoint a Voluntary Administrator as soon as possible. An appointment of a Voluntary Administrator to Onterran would likely cause the NAB to enforce their security against the group which may lead to the winding up of Onterran at which point all of Onterran’s creditors would also become creditors of the Company.

Assessing the financial position of Onterran is a reasonably complex matter, due in part to the corporate structure of the group of entities which make up Onterran. Set out on the next page is a summary of Onterran’s corporate structure as we understand it.

Corporate Structure



To assess the financial capacity of Onterran to meet any claim under the cross guarantee we have engaged an independent accountant, Mr Peter Watson of David Hicks & Co, to undertake a review of Onterran's financial position and performance. At the date of this report, Mr Watson has not completed his findings and as such we have been unable to comment on the confirmed position in this report. However, we expect to be able to tender Mr Watson's report to the Court and we will be in a position to provide creditors with an update at the forthcoming meeting of creditors.

Notwithstanding our comments above we have undertaken a preliminary assessment of Onterran's financial capacity based on the information available to us.

In the event Onterran was to be wound up, we understand that significant debt would be crystallised and claimed against Onterran under various guarantees, as detailed below:

Debt	Amount (\$)
Deed of Covenant and Assurance (QBCC)	TBA
Claims from creditors of the Company under the cross guarantee	TBA
Trade Creditors	325,696
Asset Insure (bonds guarantee) (est)	3,900,000
Pivot Way Pty Ltd – Lease Guarantee (est)	8,800,000
Pivot Way Pty Ltd – Trade finance facility guarantee	740,000
Pivot Way Pty Ltd – Debtor factoring guarantee	1,500,000
Total	15,265,696

We have based this analysis and our report on the advice received from Onterran and our own independent investigations. That advice indicates that in the event the cross guarantees are called upon Onterran would likely appoint a Voluntary Administrator.

We expect to receive our report from Mr Watson on 25 May 2017 and in the event the position changes because of that report, or our further investigations, we will notify creditors accordingly.

Mr Watson's report about Onterran will be made available for inspection by the creditors upon the second meeting on 1 June 2017. The report will be of critical interest to creditors of the Company and we encourage each creditor to consider its content in detail.

8.5 Books and Records

Creditors should be aware that an Administrator is required to conduct an investigation into the financial position of a company. This requires a thorough review of the Company's books and records.

Section 286(1) of the Act provides that a company must keep written financial records that:

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

Section 286(2) states that financial records must be retained for 7 years after the transactions covered by the records are completed.

Financial records are defined in Section 9 of the Act as including documents of prime entry and working papers and other documents needed to explain the methods by which financial statements are made up and adjustments to be made in preparing financial statements.

We have obtained the following books and records for the Company to assist with our investigation:

- Access to extracts from the Company's electronic financial accounts;
- Copies of the Company's insurance documents;
- Copies of dealings with the ATO and relevant state revenue offices;
- Copies of customer records and contracts;
- Bank account statements;
- Copies of pre-appointment lease agreements;
- Creditor and Debtor records;
- General Ledger;
- Trial Balances; and
- Wages books and Employee records.

Failure to keep or retain adequate books and records in accordance with Section 286 of the Act provides a rebuttable presumption of insolvency under Section 588E of the Act. A liquidator can rely on the presumption of insolvency in litigation including:

- Compensation claims arising from insolvent trading; and
- Recovery of voidable transactions from related entities.

The presumption cannot be relied upon in the recovery of an unfair preference except where the recovery is sought from a related entity.

It is our preliminary view that the Company maintained adequate books and records in accordance with Section 286. Accordingly, the presumption of insolvency under Section 588E would not be available.

8.6 Solvency

If the Company is placed into liquidation, it may become necessary to establish a specific date that it became insolvent for the purposes of insolvent (voidable) transaction recoveries. A full solvency report may be required to assess whether the Company was insolvent and, if so, at what point in time.

Establishing insolvency is a complex matter, due in part to the complexity of corporate financial transactions and the lack of clear prescriptive legal authority on proof of insolvency. Notwithstanding that, there are two primary tests used in determining a Company's solvency, at a particular date, namely:

- Balance sheet test; and
- Cash flow or commercial test.

The Courts have widely used the cash flow or commercial test in determining a Company's solvency at a particular date.

Section 95A of the Act also contains a definition of solvency. That definition reflects the commercial test in stating that a person is solvent if and only if "*the person is able to pay all the person's debts as and when they become due and payable*".

However, the commercial test is not the sole determinant of solvency. Determining solvency derives from a proper consideration of a Company's financial position in its entirety and in the context of commercial reality. Relevant issues include, but are not limited to, the following:

- The degree of illiquidity (A temporary lack of liquidity is not conclusive);
- Regard should be had to:
 - Cash resources;
 - Monies available through asset realisations;

- Borrowings against the security of assets; or
- Equity/capital raising.
- All of a company's assets might not be relevant when considering solvency. For example, where a company proposes selling assets, which are essential to its business operations, the proceeds of those assets should not be taken into account;
- The voluntary and temporary forbearance by creditors not to enforce payment terms; and
- It is not appropriate to base an assessment of whether a company can meet its liabilities, as and when they fall due, on the prospect that a company might trade profitably in the future.

In summary, it is a company's inability using such resources available to it through the use of its assets, or otherwise, to meet its debts as they fall due, which indicates insolvency.

Indicia of insolvency have been discussed, at length, in many insolvent trading cases in the past, most notably *ASIC v Plymin (2003)* wherein the Judge referred to a checklist of fourteen (14) insolvency indicators, as detailed below:

- 1) Continuing Losses;
- 2) Liquidity Ratio below 1;
- 3) Overdue Commonwealth and State Taxes;
- 4) Poor relationship with present bank including inability to borrow further funds;
- 5) No access to alternative finance;
- 6) Inability to raise further equity capital;
- 7) Suppliers placing the debtor on cash on delivery terms, or other demanding special payments before resuming supply;
- 8) Creditors unpaid outside trading terms;
- 9) Issuing of post-dated cheques;
- 10) Dishonoured cheques;
- 11) Special arrangements with selected creditors;
- 12) Solicitors' letters, summonses, judgements or warrants issued against the Company;
- 13) Payments to creditors of rounded sums, which are not reconcilable to specific invoices; and
- 14) Inability to produce timely and accurate financial information to display the Company's trading performance and financial position and make reliable forecasts.

Based on our investigations to date into the affairs of the Company, we are of the opinion that the Company may have traded whilst insolvent.

Our preliminary opinion is based on the following:

1) Continuing Losses

Indicator of Insolvency	Indicator Present	Since
Continuing Losses	Yes	October 2016

The most recent set of externally prepared and audited financial statements relate to the period 1 July 2015 – 30 June 2016. The financial statements for the year ended 30 June 2016 indicate that the Company realised a net profit of \$1,367,000.

Post 1 July 2016 our analysis has been based on internally prepared "management accounts". Set out below is a summary of the Company's operating profit before tax on a monthly basis for the period July to December 2016:

Period	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016
Profit (\$)	(18,821)	182,714	(536,104)	(8,847,966)	(2,618,215)	(1,594,266)

The loss of \$8,847,966 recorded in October 2016 relates mainly to downward adjustments of \$6,539,006 made to the Company's work in progress and revenue calculations along with the redundancy of twenty five (25) staff post a review of operations undertaken by the internal accounting and management teams of the Company and Onterran.

Internal management accounts have not been finalised post 31 December 2016 and as such our analysis has been limited to information extracted from the Company's internal MYOB accounts. The internal management team at the Company has advised that the information extracted from MYOB has not been reconciled to appropriately account for debtors, retentions and work in progress. As such, we have not included those draft reports in our analysis.

Based on the financial information available to us the Company has been realising continuing, consistent losses since October 2016 and as such we consider that this indicator has been present from October 2016.

2) Liquidity Ratio below 1

Indicator of Insolvency	Indicator Present	Since
Liquidity Ratio below 1	Yes	October 2016

The Liquidity ratio is a financial ratio that compares a company's current assets to its current liabilities and is a measure of whether a company has sufficient current assets to meet current obligations. A ratio of less than one (1) generally suggests a company would be unable to pay its liabilities as and when they fall due and payable and would likely be experiencing cash flow difficulties.

We note that as part of the Company's minimum financial requirements in accordance with their licence held with the QBCC the Company was required to maintain a current ratio of equal or greater than 1.

The Company's liquidity ratio as at 30 June 2016 was 1.01. Set out below is a summary of the Company's current ratio for the period July 2016 – December 2016:

As at	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016
Liquidity Ratio	1.01	1.02	1.01	0.79	0.72	0.60

Internal management accounts have not been finalised post 31 December 2016 and as such our analysis has been limited to information extracted from the Company's internal MYOB accounts. The internal management team at the Company has advised that the information extracted from MYOB has not been reconciled to appropriately account for debtors, retentions and work in progress. As such, we have not included those draft reports in our analysis.

Based on the financial information available to us the Company appears to have maintained a liquidity ratio below 1 since 31 October 2016.

Given that from October 2016 the Company failed to comply with the QBCC's minimum financial requirements to maintain their licence, the QBCC required that related parties provide the Company with a deed of covenant and assurance to meet the asset requirements in accordance with their building licence. Our investigations indicate that the following parties entered into deeds of covenant and assurance with the Company:

Covenanter	Amount (\$)
Onterran	10,154,978
Pivot Way	1,698,969
Wayne Bloomer	1,244,079
Lachlan McIntosh	550,000
TOTAL	13,648,026

In addition to the deeds of covenant and assurance, the Company and Onterran also entered into a deed of cross guarantee on 27 October 2016 as previously discussed.

In the event the Company is wound up, the Company would be entitled to claim the amounts due from each of the covenanters. Creditors are directed to Section 8 of this report for further information in relation to the financial position of related entities.

3) Overdue Commonwealth and State Taxes

Indicator of Insolvency	Indicator Present	Since
Overdue Commonwealth and State Taxes	Yes	December 2016

As at the date of our appointment according to Company records, the Company owed the following Commonwealth and State taxes:

Australian Taxation Office:

Period	Amount (\$)
January BAS	1,070,555
February BAS	(156,916)
March BAS	185,646
April BAS	222,010
TOTAL	1,321,284

The ATO has submitted a proof of debt in the matter in the amount of \$928,859; however their POD does not appear to include the liability for the March and April BAS liabilities. The Company has, historically entered into payment plans with the ATO in relation to BAS payments, our preliminary review of these plans indicate that all payment plans were complied with and have concluded.

Based on the above information it appears that the Company's liability to the ATO was overdue from 22 February 2017 after the lodgement and non-payment of the January BAS. The Company does not appear to have entered into any payment arrangement with ATO for the current outstanding debt.

Office of State Revenue:

Company records indicate that the following amounts are owed to the Office of State Revenue:

Period	Amount (\$)
Year ended 30 June 2012	65,586
Year ended 30 June 2013	209,460
Year ended 30 June 2014	274,474
Up to 26 April 2017	184,929
TOTAL	734,358

We are advised that the OSR commenced an audit of the 2012, 2013 and 2014 financial years in December 2016. The Company did not have sufficient staff to assist with the audit and as such the OSR raised assessments in January 2017.

The liability recorded for the period up to 26 April 2017 relates to outstanding returns from November 2016.

The Office of State Revenue are yet to lodge a proof of debt in the matter, notwithstanding that the debt dates back to 2012, it appears that the debt was only raised due to assessments completed in January 2017.

Based on Company books and records it appears that the Company has had overdue amounts (excluding prior year audits) with the Office of State Revenue since December 2016.

We consider that this indicator has been present since December 2016.

4) Poor relationship with present bank including inability to borrow further funds

Indicator of Insolvency	Indicator Present	Since
Poor relationship with present bank including inability to borrow further funds	No	N / A

The Company's major financier, NAB, has in principle continued to support the business operations and larger group of entities. There is no evidence to indicate that NAB has, at any time, sought to alter or reduce the terms of their facility.

As discussed at section 6.1 of this report, prior to our appointment the Company maintained an overdraft facility with the NAB which was able to be drawn to a maximum of \$450,000. As at the date of our appointment the balance of the overdraft account was \$376,406.22dr. Our preliminary analysis has not identified any occasions where the Company had overdrawn.

Based on the information available to us, we do not consider that this indicator is present.

5) No access to alternative finance

Indicator of Insolvency	Indicator Present	Since
No access to alternative finance	Yes	February 2017

Based on the Company's financial statements it appears that the Company's contract and trading losses had been funded, in part, by related entities. Onterran most recently contributed \$1,375,000 to the Company in January 2017. Post January 2017 it appears that related entities were either unwilling or unable to contribute further funds to the Company to fund ongoing losses.

The \$1,375,000 contributed by Onterran on 16 January 2017 was clearly insufficient to discharge the Company's outstanding liabilities and allow the Company to trade indefinitely. However, based on the information available to us we consider that the Company appears to have had access to alternative finance up to at least 16 January 2017.

6) Inability to raise further equity capital

Indicator of Insolvency	Indicator Present	Since
Inability to raise further equity capital	Yes	February 2017

The Company's shareholder, Onterran, sought to raise capital on \$6,000,000 in December 2016 via a share purchase plan. The offer was not fully taken up and Onterran raised a total of \$2,200,000.

On 10 February 2017 Onterran requested a voluntary suspension in respect of all its securities on the Australian Stock Exchange. That suspension remains in place as at the date of this report.

Given Onterran's ability to raise capital as recently as December 2016 we do not consider that this indicator was present until Onterran requested a voluntary suspension on 10 February 2017.

7) Suppliers placing the debtor on cash on delivery terms, or other demanding special payments before resuming supply

Indicator of Insolvency	Indicator Present	Since
Suppliers placing the debtor on cash on delivery terms, or other demanding special payments before resuming supply	Yes	February 2017

The Company received a plethora of correspondence from trade suppliers and subcontractors altering trading terms from February 2017. Creditors are directed to indicator 12 below in relation to pre-appointment correspondence received by the Company.

Based on the information available to us it is our preliminary opinion that this indicator has been present from February 2017.

8) Creditors unpaid outside trading terms

Indicator of Insolvency	Indicator Present	Since
Creditors unpaid outside trading terms	Yes	January 2017

Creditors are directed to indicator 3 in relation to the Company's compliance with statutory creditors. Company records indicate that the Company largely paid suppliers in accordance with relevant trading terms until January 2017 when the Company was experiencing significant cash flow issues.

Based on the evidence available to us we consider that this indicator has been present since January 2017.

9) Issuing of post-dated cheques

Indicator of Insolvency	Indicator Present	Since
Issuing of post-date cheques	No	N / A

The Company mostly processed payments via electronic funds transfer. Our preliminary investigations have not identified any evidence of post-dated cheques; accordingly we are of the view that this indicator is not present.

10) Dishonoured cheques

Indicator of Insolvency	Indicator Present	Since
Dishonoured cheques	No	N / A

Our preliminary investigations have not identified any evidence of dishonoured cheques. As such, we are of the view that this indicator is not present.

11) Special arrangements with selected creditors

Indicator of Insolvency	Indicator Present	Since
Special arrangements with selected creditors	Yes	February 2017

Company records received from the ATO indicate that the Company entered into payment arrangements with the ATO as follows:

Date of arrangement	Frequency	Amount (\$)
27 April 2016	One-off payment	150,122
14 July 2016	One-off payment	286,429
28 July 2016	One-off payment	256,536
14 September 2016	One-off payment	138,209
13 October 2016	One-off payment	233,732

Our investigations indicate that all these arrangements were complied with by the Company. These arrangements do not appear to be payment plans in the traditional sense; the plans appear to be payment extension dates for BAS liabilities rather than arrangements to pay off accrued and aged debt.

In addition to the arrangements with the ATO, creditors are directed to Section 6.2 of this report wherein the Company executed deeds of settlement and release with customers of the Company to pay creditors that provided supply and/or labour on the project directly. Our investigations indicate that the first such arrangement entered into was on or about 10 February 2017.

The Company appears to have entered into limited payment arrangements with suppliers prior to our appointment due, in part, to the Company's limited ability to generate cash flow. Of the limited payment arrangement, the Company did enter into, the earliest such agreement appears to be February 2017.

It is our preliminary opinion that this indicator has been present from February 2017.

12) Solicitors' letters, summonses, judgements or warrants issued against the Company

Indicator of Insolvency	Indicator Present	Since
Solicitors' letters, summonses, judgements or warrants issued against the Company	Yes	February 2017

We have undertaken a review of all incoming correspondence received by the Company to determine if this indicator is present. Our preliminary review indicates that the Company began to consistently receive demand letters from February 2017. Set out below is a summary of all relevant correspondence received on a monthly basis:

Correspondence	Jan	Feb	Mar	Apr	Total
General Notices	2	16	15	16	49
Final Demands	0	36	46	22	104
Statements of Claim	0	4	10	6	20
Statutory Demands	0	2	9	4	15
Total	2	58	80	48	188

Our investigations have not identified any significantly consistent legal demands prior to January 2017.

Having regard to the Company's records, we are of the opinion that this indicator has been present since February 2017.

13) Payments to creditors of rounded sums, which are not reconcilable to specific invoices

Indicator of Insolvency	Indicator Present	Since
Payments to creditors of rounded sums, which are not reconcilable to specific invoices	Yes	February 2017

The Company maintained reasonably sophisticated processes and controls in relation to creditor payments and largely did not make "round sum" payments. Payments appear to have been allocated to outstanding invoices, with some limited exceptions.

However, based on the limited information we have regarding payments made by clients of the Company directly to creditors it appears that those amounts were "round sums" that do not appear to correspond to invoices recorded in the Company's accounts.

This indicator does appear to be present from February 2017.

14) Inability to produce timely and accurate financial information to display the Company's trading performance and financial position and make reliable forecasts

Indicator of Insolvency	Indicator Present	Since
Inability to produce timely and accurate financial information to display the Company's trading performance and financial position and make reliable forecasts	No	N / A

The Company's internal accounting team has advised that post the preparation of the September 2016 accounts, the preparation of historical monthly accounts was not prioritised as the Company undertook a full operational review to determine the source of the loss realised in September 2016. During that time, the internal accounting team:

- Reviewed performance of project managers and accountability of poor forecasts;
- Analysed all overheads and project pipeline and proposed two stage cost cutting/rationalisation process;
- Reviewed headcount and proposed redundancies;
- Dealt with QBCC queries;
- Determined that the Company should recruit a general manager;
- Met with staff and made twenty five (25) staff redundant; and
- Office locations were closed and other overheads scaled back with a view to cost savings of \$3,100,000.

As a result of the operational review and rationalisation of the business operations the accounts for October and November were not finalised until 12 January 2017 which indicated that the Company operations had realised additional, more significant losses. The December accounts were finalised on 5 February 2017 indicating a further significant loss.

After the production of the December 2016 financials, it appears that the director of the Company determined that the Company had solvency issues and refused to sign the relevant statutory declarations to accompany progress claims and implemented strategies to significantly downsize the scope and scale of the Company's operations to limit incurring "new debt".

We do not consider that the production of month end financials one month post the conclusion of month end is unreasonable given the size and scale of the operations and general shutdown over the Christmas / New year period.

Financials post December 2016 have not been finalised due to the significant downsize of operations.

It appears that the Company maintained reasonable controls in relation to the timely and accurate production of financial statements. Notwithstanding the delays in producing financial statements in the final quarter of 2016 we do not consider that this indicator is present.

Preliminary Conclusion on Solvency

Set out below is a timeline of events relevant to the solvency of the Company, as we understand it:

Date	Event
30 June 2016	External Company financials indicate that the Company has a net asset position of \$390,000;
29 September 2016	Onterran, Pivot Way, Wayne Bloomer and Lachlan McIntosh all provide

	deeds of covenants and assurance in favour of the Company;
20 October 2016	Gemlava advances \$1,000,000 to the Company;
24 October 2016	September management accounts are finalised showing a loss of \$536,104;
27 October 2016	Company and Onterran enter into a deed of cross guarantee;
28 October 2016	Management teams of Onterran and the Company meet to discuss performance and determine that cost savings need to be made in the business along with additional funding;
10 November 2016	Gemlava advances an additional \$1,000,000 to the Company;
11 November 2016	Gemlava advances an additional \$1,000,000 to the Company;
23 November 2016	The Company makes twenty five (25) staff redundant and closes all smaller offices;
1 December 2016	Onterran announces a share purchase plan seeking to raise up to \$6,000,000;
30 December 2016	Onterran announces that the share purchase plan has concluded and they have raised \$2,200,000;
12 January 2017	October 2016 and November 2016 financials are finalised indicating losses of \$8,847,966 and \$2,618,215 respectively;
16 January 2017	Onterran advances \$1,375,000 to the Company;
5 February 2017	December 2016 financials are finalised indicating an additional loss of \$1,594,266; and
Mid-February 2017	The directors determine that they are unable to sign statutory declarations to accompany relevant progress claims and steps are taken to significantly reduce the size and scope of the business operations.
10 February 2017	Onterran voluntary suspends trading with the ASX.

Given the relatively strong financial position recorded in the Company externally prepared and audited financial for the year ended 30 June 2016 our investigations have focused on the period post July 2016. Set out below is a summary of the Company's net asset position for the period post July 2016:

As At	Jul 2016	Aug 2016	Sep 2016	Oct 2016	Nov 2016	Dec 2016
Net Assets (\$)	371,843	554,556	18,452	(8,828,514)	(11,447,729)	(13,041,995)

Our analysis indicates that the Company realised a loss in the month ending September 2016, however the Company maintained a small net asset position. In response to the loss the Company's management attempted to rationalise costs and seek funding from third parties.

As a result of the Company's operational review, issues were identified for project forecasts, and new work, which were adjusted in the October 2016 financials, resulting in a significant monthly loss of \$8,828,514 and a significant net asset deficiency, which never improved. The net asset deficiency has been caused by a decrease in assets (debtors and work in progress) rather than an increase in liabilities, which have remained relatively constant.

Company records indicate that the following amounts were injected into the Company by related parties in the period October 2016 – 16 January 2017:

Received from	Amount (\$) (net)
Gemlava	3,000,000
Onterran	1,375,000
TOTAL	4,375,000

The Company does not appear to have received any additional funding from related entities post 16 January 2017. The amounts received prolonged the Company's ability to trade but were clearly insufficient to fund the monthly losses being incurred by the Company.

Based on our preliminary consideration of the indicative factors of insolvency, as set out in this Report, it is our view that the Company was likely insolvent at the following dates:

Test	Preliminary estimated date of insolvency
Balance sheet test	31 October 2016
Cash flow test	5 February 2017

As previously discussed, the Court has widely accepted the cash flow or commercial test as the more appropriate method of testing insolvency. Given the time constraints we have not been able to reconstruct the Company's monthly cash flow. It is clear that related entities continued to provide financial support to the Company to fund ongoing operations up until 16 January 2017, however that support was insufficient to recover losses already realised and the Company's ongoing losses.

Notwithstanding that we are unable to accurately determine a date of insolvency, it is likely that the Company became insolvent during the last quarter of 2016, and certainly from February 2017. As such, for the purpose of this report and our analysis, we have determined the Company was likely insolvent at **1 December 2016**.

The matter of balance sheet solvency and the date of cash flow insolvency would likely be the subject of further investigation by a liquidator(s), who may settle on a more definitive date as well as make a determination with respect to insolvent trading by the Directors.

In addition, a further investigative action available to a liquidator includes the ability to publicly examine relevant parties.

Please refer to section 8.10 of this Report for further information regarding insolvent trading and potential claims that a Liquidator may have against the Directors and Onterran as the Holding Company.

8.7 Registered Security Interests

As advised in Section 4.6 of this Report, the PPSR records that there are one hundred and forty-one (141) security interest charges that are currently registered against the Company.

We have carried out a preliminary investigation into these interests. We have considered the application of Section 588FJ of the Act to the security interests which were registered in the six (6) months prior to the voluntary administration. Set out below is a summary of the charges registered in the six (6) months preceding our appointment:

Date	Secured Party
17 November 2016	FTI Group Pty Ltd
23 December 2016	Gemlava Pty Ltd
27 January 2017	Beaumont Tiles Pty Ltd
27 January 2017	ETC Hire Pty Ltd
3 February 2017	Home Timer & Hardware Group Pty Ltd
8 February 2017	Window Design Solutions (Aust) Pty Ltd
9 February 2017	Snowdonia Airconditioning Pty Ltd
10 February 2017	Side by Side Scaffolding and Rigging Services (Aus) Pty Ltd
10 February 2017	VT Services Contracting Pty Ltd
10 February 2017	Mazewell Pty Ltd (x2)
13 February 2017	Ahrens Enterprises Pty Ltd
13 February 2017	Crown Cabinetry Pty Ltd
22 February 2017	Berwicks' (Gold Coast) Pty Ltd
1 March 2017	Stoddart Group Pty Ltd
3 March 2017	Finlayson Timber & Hardware Pty Ltd

6 March 2017	Finlayson Timber & Hardware Pty Ltd
13 March 2017	Window Design Solutions (Aust) Pty Ltd

We have not undertaken a full review of all interests registered but based on our preliminary review it appears that all creditors listed in the above table provided supply to the Company prior to the registration of their PPSR. As such their PPSR may not be valid to the extent that supply was provided prior to the registration of their PPSR.

8.8 Unfair preferences

Pursuant to Section 588FA of the Act, a transaction between a company and a creditor which is established as an unfair preference may be a void transaction and may be repayable by the beneficiary of the payment to the liquidator, for the benefit of the relevant company's creditors.

The criteria for establishing a preference payment requires the liquidator to prove:

- That the company was insolvent at the time of said transaction;
- That such a payment was outside the company's ordinary terms of trade, whether the beneficiary of such payment knew or ought to have concluded that the company was insolvent at the time of the transaction; and
- Whether the payment was made within six (6) months of the date of our appointment (or extended if a winding up application is on foot) or four (4) years if said beneficiary was a related party.

Given that the winding up application by Hume Doors & Timber (QLD) Pty Ltd was lodged on 10 April 2017 the relevant relation back period is 10 October 2016 – 26 April 2017. Given our opinion that the Company has likely been insolvent since 1 December 2016 our investigations have focused on all payments made by, or on behalf of the Company, during the period 1 December 2016 – 26 April 2017.

As discussed at section 6.2 of this report the Company entered into deeds of settlement and release with some debtors to pay amounts due to the Company directly to creditors. Our preference review has analysed all payments made directly from the Company to creditors and payments made by 3rd parties which we have been able to confirm.

We are aware that some debtors have paid creditors directly, however we have been unable to fully review those payments as the debtor has either failed to or is unwilling to account for those transactions. As such, our review of those payments has been hampered by our lack of access to relevant information.

Given the Company's lack of visibility on payments made and the reticence of some creditors to submit proofs of debt for fear of potentially being pursued by a liquidator (if appointed) our preference review is not complete. In addition, we are aware that in some circumstances payments received by creditors from 3rd parties have not been allocated to "old debt" and therefore the creditors proof of debt may be misleading.

Given the time constraints we have been unable to obtain a full account of receipts and payments made by clients direct to the Company's clients. In the event a liquidator is appointed they may find it difficult to obtain the information relevant to determine if a preference exists and a liquidator may be inclined to publicly examine both the payor and recipient of the funds to obtain complete information in relation to the transactions.

We are aware of media reports which have arbitrarily referred to "\$10-\$11million" being repaid to creditors in recent months. We have been unable to confirm how that number was calculated and understand that creditors may, in theory, speculate that these payments are unfair preferences. We have undertaken our investigations in relation unfair preferences as per our statutory requirements including payments made from 3rd parties on behalf of the Company. However, in

reality, pursuing and actually collecting a preference can be a complicated matter due to:

- Consideration of whether the Company was insolvent at the time of the payment;
- The costs associated with recovering a preference;
- Whether the recipient had knowledge that the Company was insolvent;
- Whether the Company was a party to the transaction;
- The capacity of the recipient to repay the amount received by them;
- The overall effect and net benefit to creditors. In the event a creditor repays a preference to a liquidator it will increase the pool of funds available to all creditors but also increase the value of creditor claims who are to share in the proceeds; and
- Any other defence creditors may have, the most common of which is a running account defence. A running account provides the "netting off" of debits and credits on a running account in relation to a continuing business relationship when there are a series of transactions which are challenged as a preference, for the purposes of calculating the amount of the preference claim, s588FA(3) of the Act.

In order to complete our review of payments to creditors, we have undertaken the following:

- Reviewed the Company's NAB bank statements;
- Reviewed the Company's MYOB supplier payment register;
- Undertaking running balance account analyses on parties who received payments during the relation back period;
- Reviewed the incoming mail and email register in relation to demands for payments;
- Undertaken an analysis of creditor movements between 1 December 2016 and 26 April 2017;
- Reviewed proofs of debt received from creditors;
- Reviewed deeds of settlement executed between the Company and customers which effectively released the Company from any debt due to the Company in lieu of paying subcontractors directly;
- Advice from the internal accounting team in relation to funds they believe have been paid to creditors by third parties, but have not been accounted for; and
- Internal Company accounting in relation to funds paid to Company creditors by 3rd parties.

The Company's cash flow significantly diminished post December 2016, set out below is a summarised aggregate of payments made directly to creditors on a monthly basis:

Month	Amount (\$)
From 10 October	20,477,347
November	23,150,852
December	19,985,339
January	11,482,941
February	2,206,974
March	835,572
April	588,983
TOTAL	78,728,008

Given our preliminary opinion that the Company has been insolvent since 1 December 2016 we have focused our investigations on payments made post 1 December 2016. Set out below is a summary of the net trade payables between 30 November 2016 and 26 April 2017 as per company records:

Payables at 30 November 2016	33,087,173
Payables at 26 April 2017	24,469,638
Net Movement	8,617,535

During the period 1 December 2016 to 26 April 2017 we have identified 130 unsecured creditors whose net debt has reduced by more than \$25,000. Of those 130 creditors the payments made to them total \$12,409,736. The above analysis includes amounts we have identified as paid from 3rd parties. Set out below is a summary of payments made on behalf of the Company by specific project:

Project	Amount paid directly to creditors (\$)
Progress Road, Richlands	1,250,816
Kersley Road, Kenmore	324,156
Western Avenue, Chermside	407,460
Norris Road, Bracken Ridge	1,052,626
Dawson Parade, Keperra	168,735
Brereton Street, South Brisbane	3,617
Curwen Terrace, Chermside	30,000
Hilltop Avenue, Chermside	524,011
TOTAL	3,761,421

We have reviewed correspondence between the Company and those creditors to determine if the creditors had knowledge of the Company's insolvency prior to receiving payment. Based on our review of that correspondence we are of the opinion that most of those creditors may have a valid defence against a preference claim up to February 2017.

Notwithstanding our opinion that the Company has been insolvent since 1 December 2016, the Company appears only to have begun suffering from significant cash flow difficulties from January 2017. It was public knowledge in the media and construction industry that by mid-February 2017 that the Company had closed a number of building sites across Brisbane and that subcontractors were *"banking on negotiations now under way to protect them from the worst of another major collapse in the Queensland construction industry"*. Furthermore *"Bloomer subbies became concerned late last year as invoices weren't paid as they fell due"*.

Accordingly, creditors, in particular subcontractors, would not be able to rely on the defence that payments received from mid-February 2017 to 26 April 2017 were received in good faith or had no reasonable grounds for suspecting that the company was insolvent at that time or would become insolvent.

Having regard to our preliminary review we are of the opinion that payments of at least **\$1,982,000** would be subject to further investigation by a liquidator and may be available for a liquidator to pursue in the event the Company is wound up. This review does include amounts paid from 3rd parties directly to suppliers for which the Company has received an accounting. We have been unable to confirm all amounts that have been paid from 3rd parties direct to supplier for which the Company has not received an accounting.

There may be additional payments made by developers to subcontractors, suppliers and consultants since mid-February 2017 of which the Company has not been advised of the quantum.

The Director estimates that the amount to be paid by developers directly to subcontractors, suppliers and consultants subsequent to entering into Deeds of Release and Settlement in mid-February 2017 is \$6,680,427. The timing of these payments is unknown as and may not be made until a certain stage of the contract/project has been completed. Developers are free to form their own agreement with contractors/ former subcontractors of the Company to finish projects, and payments on that basis after 26 April 2017 will not be unfair preferences.

A liquidator would need to further investigate the payments paid by developers directly to subcontractors, suppliers and consultants. This would likely involve a public examination of the relevant parties, including debtors. This would be a very costly and time consuming exercise and may not be commercial to pursue having

regard to the capacity of recipients to repay a preference and the net benefit to be received by creditors.

We note that our opinion is based on our investigations to date, having regard to the information we currently have access to. We expect that there may be additional claims established by a Liquidator.

8.9 Uncommercial transactions

Section 588FE of the act allows liquidators to void a transaction entered into by a company before liquidation where the transaction did not advantage the company but advantaged some other party, usually a related entity. For Section 588FE to apply, the company must have been insolvent or become insolvent as a result of entering into said transaction and the transaction would have to have occurred within two (2) years of our appointment.

The deeds of release and settlement entered into by the Company prior to our appointment with debtors as discussed at Section 6.2 of this report may be uncommercial transactions given that the deeds have effectively promoted the priority of unsecured creditors above the Company.

We have considered the effect of applying to have the deeds set aside and consider that there would be minimal benefit to the Company to have the deeds set aside due to the following:

- The debtor would likely be entitled to withhold all funds due to the Company as a result of the termination of the contract;
- The debtor is under no obligation to pay subcontractors and/or suppliers for works already completed;
- If the deed were set aside it is unlikely to result in either funds flowing to the Company or funds flowing to unsecured creditors of the Company; and
- There was no value assigned to the contract as at the date the deeds were executed given that the Company was unable to complete the works subject to the contract.

We do not believe that there is any commercial benefit to the Company or creditors in seeking to have the deeds of settlements and release set aside notwithstanding that they may be uncommercial transactions.

8.10 Insolvent trading

Section 588G of the Act is designed to prevent Directors from continuing to trade and incurring debts when their Company is insolvent and likely to be unable to pay the debts that it incurs. If a Director is found guilty of an offence in contravening Section 588G, the Court may order him or her to pay compensation to the Company equal to the amount of loss or damage suffered by the creditors of the Company. Information about possible insolvent trading is relevant to creditors when making a decision about the future of the Company as Directors of a Company may generally only be sued for insolvent trading if the Company is in liquidation.

Creditors should note that Division 5 of Pt 5.7B of the Act also allows an insolvent trading claim to be brought by a liquidator of a subsidiary company against a Holding Company. Section 588V of the Act establishes a contravention by a holding company of a company which incurs debts when insolvent, where there are reasonable grounds for suspecting such insolvency and the Holding Company or one or more of its Directors is or are aware of such grounds or ought to have been so aware (having regard to the nature and extent of the Holding Company's control over the insolvent company's affairs). In the case of such a contravention, then pursuant to Section 588W of the Act, the liquidator of an insolvent company may recover from the Holding Company the amount of loss or damage suffered by the persons in relation to the debts so incurred to them.

Creditors should note that a Director may have statutory defences pursuant to Section 588H of the Act, which may be available to them with respect to insolvent trading claims.

Further investigations in relation to potential claims for insolvent trading would need to be undertaken by a liquidator to determine the quantum of the potential claim against the Directors and Holding Company. If the Court agrees with the Liquidators' finding, the Directors/ Holding Company may be liable to pay for all unpaid liabilities incurred by the Company after the date it became insolvent.

Notwithstanding the above an action for insolvent trading would only be brought against the Directors/ Holding Company if a benefit would accrue to creditors from doing so. As referred to earlier, the Directors' capacity to meet any claim against them is unlikely, however the directors and officers policies held by Mr Bloomer, Mr McIntosh and Onterran may meet the claim. If the Directors do not have sufficient assets to meet an insolvency trading claim, any successful insolvent trading action against the Directors may result in minimal or no recovery. A further, more detailed analysis of the Company's and the Directors' personal asset position (including trust assets) would be undertaken by a liquidator to evaluate the merits of any such actions.

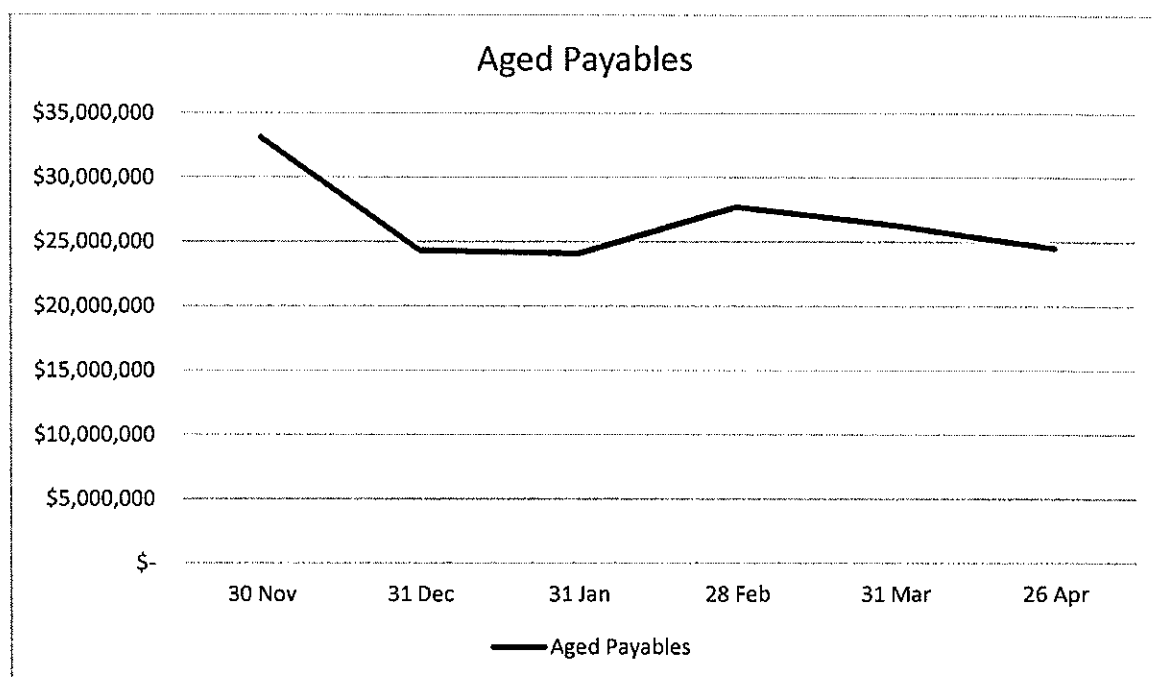
We provide below a summary of our findings to date as to the Company solvency and the issues surrounding any possible liability that may arise for the Directors:

Issue	Wayne Bloomer	Lachlan McIntosh
Were the current Directors appointed at the time the Company incurred their current debts?	Yes. Wayne Bloomer is the current director of the Company and has been a director 5 February 2004.	Yes. Lachlan McIntosh was a director of the Company for the period 1 March 2015 to 29 March 2017.
Did the Company incur any of their current debts at a time when they were insolvent?	Likely.	Likely.
Were the Directors aware during this time that there were grounds for suspecting that the Company were insolvent?	Due to the factors outlined in section 8.6 of this Report the Mr Bloomer ought to have been aware that the Company was experiencing significant financial difficulties.	Due to the factors outlined in section 8.6 of this Report the Mr McIntosh ought to have been aware that the Company was experiencing significant financial difficulties.
Were there reasons at any point in time to suspect that the Company were insolvent?	Yes.	Yes.
Would a reasonable person in the same position conclude that the Company was insolvent?	Unclear. The factors outlined in section 8.6 of this report would likely lead to a reasonable person concluding that the Company was insolvent. However, the directors of the Company had reasonable grounds to	Unclear. The factors outlined in section 8.6 of this report would likely lead to a reasonable person concluding that the Company was insolvent. However, the directors of the Company had reasonable grounds to

Issue	Wayne Bloomer	Lachlan McIntosh
	suspect that the costs saving measures implemented in October 2016 and funding being raised by Onterran along with the ongoing support of Gemlava may have been sufficient to support the Company.	suspect that the costs saving measures implemented in October 2016 and funding being raised by Onterran along with the ongoing support of Gemlava may have been sufficient to support the Company.
On what dates were the Company insolvent?	Based on information we currently have access to, we are of the current opinion that the Company may have been insolvent since 1 December 2016.	Based on information we currently have access to, we are of the current opinion that the Company may have been insolvent since 1 December 2016.
	We do note that cash flow indicators were not present until February 2017.	We do note that cash flow indicators were not present until February 2017.
Was the Directors'/ Holding Company's failure to prevent the Company incurring debts whilst it was insolvent dishonest?	Unlikely. It appears that the directors (and related entities) took reasonable steps to provide funding and to prevent the Company from incurring excessive debt.	Unlikely. It appears that the directors (and related entities) took reasonable steps to provide funding and to prevent the Company from incurring excessive debt.
Do the Administrators consider that any parties acted as shadow Directors?	Yes, it is likely that Onterran has acted as a shadow director of the Company.	Yes, it is likely that Onterran has acted as a shadow director of the Company.
		Additionally, it is likely that Mr McIntosh continued to act as a director of the Company post his resignation on 29 March 2017.
Has a claim been made?	No, a Liquidator may pursue an insolvent trading claim if he/ she deems it commercially viable.	No, a Liquidator may pursue an insolvent trading claim if he/she deems it commercially viable.
Do the Directors have any defences against a claim for insolvent trading?	Likely. The Directors have not had the opportunity to present a defence to any insolvent trading claim.	Likely. The Directors have not had the opportunity to present a defence to any insolvent trading claim.
	However, based on the information we have access to we are of the	We note that Lachlan McIntosh resigned as a director on 29 March

Issue	Wayne Bloomer	Lachlan McIntosh
	<p>opinion that the directors took reasonable steps to prevent the Company from incurring debt once they believed that the Company had solvency issues. Additionally, related entities provided significant funding to allow the Company an opportunity to continue to trade to identify costs savings and restructure the operations.</p>	<p>2017 as such the claim against him would be limited to debts incurred prior to 29 March 2017.</p> <p>Based on the information we have access to we are of the opinion that the directors took reasonable steps to prevent the Company from incurring debt once they believed that the Company had solvency issues. Additionally, related entities provided significant funding to allow the Company an opportunity to continue to trade to identify costs savings and restructure the operations.</p>
<p>Will a liquidator in this instance, require funding to pursue a claim for insolvent trading?</p>	<p>Not established. However, the assets realised by a Liquidator may be applied by way of distribution to secured and priority unsecured (employee) creditors. As such, the Liquidator may require funding to pursue an insolvent trading claim.</p>	<p>Not established. However, the assets realised by a Liquidator may be applied by way of distribution to secured and priority unsecured (employee) creditors. As such, the Liquidator may require funding to pursue an insolvent trading claim.</p>

The Directors appear to have taken steps to limit the amount of debt being incurred by the Company from February 2017 when the December 2016 financials were finalised. Given the Company's limited trading post February 2017 the insolvent trading claim is somewhat limited. Set out below is a summary of aged payables on a monthly basis from December 2016:



Aged payables on 1 December 2016 totalled \$33,087,187, as at the date of our appointment aged payables totalled \$24,514,543 representing a net decrease of \$8,572,644. However, debt that was incurred over that time which remains unpaid totals approximately \$500,000 and that is likely to be the quantum of an insolvent trading claim.

However, the directors took steps post February 2017 to rationalise the Company's operations and reduce the level of debt incurred by the operations. In doing so, it appears that the directors may have a defence to any insolvent trading claim brought against them by a liquidator.

A liquidator would likely undertake further, more detailed investigations to determine if an insolvent trading claim exists. However, our preliminary opinion based on the information available to us is that the directors and Onterran have a reasonable defence to an insolvent trading claim and any claim would likely be costly and have limited chances of a successful recovery.

8.11 Unfair Loans

Unfair Loans are loans made to a Company at any time prior to the date of our appointment, which have extortionate interest or charges (as determined by the Court).

Based on our investigations to date, the Company was not a party to any unfair loans.

8.12 Transactions to Defeat Creditors

If a transaction was entered into for the purpose of defeating, delaying, or interfering with the rights of creditors and entered into during ten (10) years prior to our appointment, then a liquidator may deem the said transaction to be voidable. The criteria for establishing such a void transaction includes the need to prove that a Company was insolvent at the time of the said transaction.

Aside from our comments in Section 8.8 of this Report, our investigations at this time have not identified any such transactions.

8.13 Unreasonable Director Related Transactions

A Company transaction is deemed to be an unreasonable Director related transaction if it is made to a recipient, being a Director or close associate, in circumstances where a reasonable person in the Company's circumstances would not have entered into the transaction. For an unreasonable Director related transaction to apply, the said transaction needs to have occurred within four (4) years of our appointment. There is no requirement to prove that the Company was insolvent at the time of said transaction occurring.

We have not identified any unreasonable Director related transactions.

8.14 Breach of Duties

Directors are under a duty to act honestly in the best interests of the Company, exercise powers for a proper purpose, act with unfettered discretion and avoid conflicts between the Company's interests and personal interests. A person who contravenes these duties may be the subject of a civil penalty order and be disqualified from acting as a Director. Creditors should note that this is a procedure that is commenced by the ASIC and not an administrator or liquidator. ASIC may apply to the Court to seek an order requiring the Director of a Company in liquidation to make a financial contribution to an insolvent Company's assets.

We are of the preliminary view the Directors (and potential shadow Directors) may have breached the following Director duties:

- Section 588G - Insolvent trading (from at least February 2017)

The Directors strongly disagree with our preliminary view in this regard and believe they have exercised care and diligence in how they approached the Company's financial affairs from February 2017 to the date of our appointment. In a liquidation scenario, these matters will be further investigated.

8.15 Other breaches of the Act / Potential Recoveries

Our investigations at this time have not identified any other applicable breaches of the Act or potential recoveries. We expect that there may be additional claims established by a Liquidator.

8.16 ASIC Reporting of potential offences and contraventions

We are required to Report to the ASIC pursuant to Section 438D of the Act any offences committed by the Directors of the Company. We have lodged our Report with ASIC, who are currently considering the content therein.

In the event a liquidator is appointed and identifies any breaches they may Report these to the ASIC under Section 533 of the Act.

8.17 Limitations and parameters set in respect to investigations

Our investigations into the affairs of the Company have primarily been based on the following:

- Advice received from the Directors and their advisers;
- Information provided by creditors of the Company;
- Information provided by customers of the Company;
- Information provided by employees of the Company;
- Reviews of various Government databases; and
- Reviews of the Company books and records.

Creditors should note that we have not performed an audit of the Company's books and records and accordingly we do not take responsibility for the correctness and/or accuracy of any information that we have relied upon to prepare this Report.

8.18 Funding requirements

Should creditors (or the Court) place the Company into liquidation and we are appointed liquidators and subject to any issues that arise from our ongoing investigations, we may require funding from creditors to pursue certain recovery actions, if applicable. Creditors interested in funding any action(s) should forward their written funding proposals to our office as soon as possible.

Matters that require further investigation may include: -

- 1) Examination of the Company's Directors and their advisers; establishing their true personal financial position;
- 2) Whether a claim can be made against the Directors and Holding Company for insolvent trading/breach of duties; and
- 3) Any other voidable and insolvent transactions that may be established after the issuing of this Report.

8.19 Recoveries from voidable transactions

The following tables provide an estimate of the recoveries available to a Liquidator for the voidable transactions discussed above for the Company:

Recovery Type	Estimate Low (\$)	Estimate High (\$)
Voidable and/ or Insolvent Transaction Recoveries	1,000,000	2,000,000
Insolvent Trading	250,000	500,000
Total	1,250,000	2,500,000

The table is based on information we currently have access to. The estimates may vary materially once further more detailed investigations are conducted into unfair preferences and insolvent trading.

9. DEED OF COMPANY ARRANGEMENT ("DOCA")

A DOCA has been proposed for the Company by Onterran. Please see attached as **Annexure "D"** a copy of the relevant DOCA proposal for the Company.

9.1 Future Trading/Cash flow Assumptions

In general terms, the proposed DOCA is not dependent on future trading and cash flow assumptions but a cash injection and orderly realisation of assets. The cash injection of \$550,000 to the DOCA is to be made by Onterran within sixty (60) days of the execution of the DOCA.

With the proposed DOCA being subject to one off contribution and the orderly realisation of assets, the obligations should be met within eighteen (18) months of execution of the proposed DOCA. The eighteen (18) month period will allow for the expiration of all defect liability periods.

9.2 Monitoring

To ensure that all obligations of the proposed DOCA are met in a timely manner the Administrators will monitor progress claims and retention collections on a monthly basis.

The Company and Onterran will provide an indemnity and guarantee in support of obligations of the DOCA.

10. DIVIDEND OUTLOOK AND OPTIONS AVAILABLE TO CREDITORS OF THE COMPANY

Please refer to **Annexure "E"** for comparisons of the estimated dividend return to creditors of the Company in a DOCA scenario compared to a Liquidation scenario.

10.1 Dividend Outlook - Liquidation Scenario

Set out below is a summary of what creditors may expect to receive in a liquidation scenario:

	Liquidation – Low (\$)	Liquidation – High (\$)
Secured Creditors – NAB	100c	100c
Priority Employee Creditors	Nil	100c
Unsecured Creditors	Nil	2.4c

The principal secured creditor NAB is estimated to be repaid in full, subject to the presentation of bank guarantees and securities provided by related entities.

Under a "high" scenario, priority employee creditors are estimated to be repaid in full in respect to all entitlements outstanding. Under a "low" scenario it is unlikely that priority employee creditors or FEG would receive any return at all.

Under a "high" scenario, unsecured creditors are expected to receive a dividend of approximately 2.4c. Under a "low" scenario it is unlikely that unsecured creditors will receive a dividend from the Company.

10.2 Dividend Outlook – DOCA Scenario

Under the proposed DOCA, priority employee creditors will receive 100 cents in the dollar on amounts due to them, including superannuation, as required by Section 444DA of the Act.

Set out below is a summary of what creditors may expect to receive in a DOCA scenario:

	DOCA – Low (\$)	DOCA – High (\$)
Secured Creditors – NAB	100c	100c
Priority Employee Creditors	100c	100c
Unsecured Creditors	5.5c	16.5c

10.3 Timing of Dividends

It is anticipated that a first and final dividend payment to priority employees will be made within three (3) months of the execution of the DOCA and unsecured creditors within twenty four (24) months of the execution of the DOCA.

10.4 Options available to creditors

Pursuant to Section 439A of the Act, we are required to convene a meeting of creditors at which creditors may resolve one of the following options:

- That the administrations should end and the Company be returned to the control of the Directors; or
- That the Company execute a DOCA; or
- That the Company be wound up or placed into liquidation.

10.5 Administrators' recommendations

Pursuant to Section 439A(4)(b) of the Corporations Act 2001, we are required to make a statement and give reasons for our opinions in relation to the option available to creditors of the Company. Please see attached as **Annexure "F"**, a statement of the Administrators' Opinion regarding the options available to creditors of the Company.

10.6 Reasons for Recommendations (Including Advantages and Disadvantages)

In making our recommendations, we have considered the following:

10.6.1 Advantages of proposed DOCA

- Under a DOCA scenario, the Company will continue in existence.
- Under a DOCA scenario, ongoing work with customers can continue with qualified persons assisting the Company to meet licensing requirements. In the event that the Company is placed into liquidation, it is unlikely that the Company could reach any arrangements to complete the works to preserve the debtors ledger;
- The proposed DOCA offers the realistic possibility of the Company's creditors receiving a better financial return than if the Company was wound up.
- Under a DOCA, the Director, Onterran and all related parties in relation thereto will defer their claims resulting in a greater dividend payable (where applicable) to priority and unsecured creditors;
- Under a DOCA, the priority for the VA costs indemnity in favour of Onterran will be waived;
- Under a DOCA scenario, all unpaid superannuation/superannuation guarantee charge and all other employee entitlements are to be paid in full via a deed contributions and asset realisations;
- The costs of administering the proposed DOCA for the Company will be significantly less than in a Liquidation scenario;
- Creditors of the Company will receive a dividend in a relatively short space of time and quicker than in a liquidation scenario;
- The proposed DOCA appears to be achievable;
- The potential for expensive and protracted legal proceedings for the Company in a Liquidation scenario will be avoided;
- The obligations of the DOCA are indemnified by the Company, its Directors and Onterran;

- The Board of Onterran and the Company have put a substantial amount of thought and planning into the restructure which has resulted in a restructure proposal that is achievable and has reasonable prospects of success; and
- The Company will avoid the dilution of available funds due to Onterran's creditors likely being added to the creditor pool in the event the cross guarantee is called upon and unable to be met.

10.6.2 Disadvantages of Proposed DOCA

The disadvantages of entering into the proposed DOCA include:

- All participating creditor claims will be discharged in full by virtue of the operation of the DOCA and the Company will be released from paying claims except as prescribed by the DOCA;
- All recovery actions potentially available to a liquidator under Part 5.7B of the Act will no longer be available under the DOCA. Creditors should refer to Section 8 of this Report for further information in this regard; and
- Creditors of the Company will be unable to claim against the deed of cross guarantee entered into with Onterran.

11. REMUNERATION

We attach to this Report as **Annexure "G"** our Remuneration Report.

11.1 Work completed generally

Since the date of our appointments, we have taken control of the Company's affairs and pursuant to Section 443A of the Act. We have been exposed to personal liability for debts that we have incurred in the performance of all of our functions as Voluntary Administrators.

We have attended to all statutory obligations prescribed by the Act and have acted at all times in the best of interest of creditors.

To ensure that the work has been completed in the most effective and efficient manner, we have, where appropriate and possible, directed our staff to perform certain aspects of the administrations.

As Voluntary Administrators, we have personally, or directed our staff to attend to numerous matters in the Administration. Please refer to the 'Description of Work Performed' annexed to our Remuneration Report attached as **Annexure "G"** of this Report.

11.2 Summary of remuneration to be approved

As at 22 May 2017, we have remuneration outstanding in the sum of approximately \$222,866 plus GST.

We advise that the remuneration for which we will be seeking approval at the forthcoming meeting of creditors for the conduct of the administration will be approximately \$272,866 plus GST. Should creditors resolve to accept the proposed DOCA, we will seek approval of future fees to the maximum amount of \$50,000 plus GST, (for the period after the meeting to the date of the execution of the DOCA) beyond which further approval must be sought.

The particulars of all staff involvement together with the time spent by each staff member will be available for inspection at the forthcoming meeting.

We advise that it is appropriate at the Meetings of Creditors to consider and approve the future fees of the Liquidator(s) (or Deed Administrator(s)), depending on the resolution passed by creditors for the Company's future.

Should creditors resolve to accept the proposed DOCA, we will seek approval of future fees to the maximum amount of \$250,000 plus GST, beyond which further approval must be sought. Should creditors resolve to place the Company into liquidation, we will seek approval of future fees to the maximum amount of \$750,000 plus GST beyond which further approval must be sought.

The Jirsch Sutherland hourly rates as at 1 August 2016 from which my remuneration is calculated was attached in the first notice to creditors and will be available for your inspection at the forthcoming meetings of creditors.

12. FINALISATION OF ADMINISTRATION

12.1 DOCA

Should creditors resolve to execute the Directors' proposed DOCA, our duties are to administer the terms of the DOCA.

12.2 Liquidation Scenario

Alternatively, should the Company be placed into liquidation, we may become the liquidators and our duties as liquidators for the Company, where applicable, would be as follows:

- 1) Cease trading and terminate all employees;
- 2) Realise all assets of the Company with the consent of the secured creditors;
- 3) Seek to recover under the Cross Guarantee given by Onterran;
- 4) Finalise our statutory investigations with any further information provided by the creditors;
- 5) Report to creditors and Report to the ASIC pursuant to Section 533 of the Act;
- 6) Investigate and pursue potential claims (voidable transactions and insolvent trading) under Part 5.7B of the Act;
- 7) Further investigations if funded and/or authorised;
- 8) Deal with priority employee creditor claims;
- 9) Pay a dividend to creditors (if applicable);
- 10) Attend to all statutory Reporting and filing obligations; and
- 11) Finalise the winding up of the Company.

13. CONCLUSION

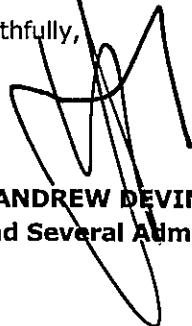

The information contained in this Report is based upon investigations into the affairs of the Company which have been undertaken in the period commencing from the date of the Company going into Voluntary Administration, 26 April 2017 to the date of this Report, and advice from relevant parties. In these circumstances, creditors must appreciate the limitations of the information provided.

We trust that this Report adequately discloses information pertaining to the Company's position and therefore allows creditors to make an informed decision at the forthcoming meetings. We welcome further advice or comments from creditors on this Report and the affairs of the Company in general.

Should you require any further information in relation this matter, the following staff members are available to assist:

Staff Member	Telephone	Email
Ms Erinii Efstratiou	(07) 3152 0222	EriniiE@jirschsutherland.com.au
Ms Annika Pace	(07) 3152 0222	Annikap@jirschsutherland.com.au
Mr Des Byron	(07) 3152 0222	DesB@jirschsutherland.com.au

Yours faithfully,



TRENT ANDREW DEVINE
Joint and Several Administrator

Annexure "A"

**Bloomer Constructions (QLD) Pty Ltd
(Administrators Appointed)
Unsecured Creditor Claims Summary**

Unsecured Statutory Creditors

Creditor Name	Administrators' Estimate / POD Value (\$)
Australian Taxation Office	928,858.88
Office of State Revenue	734,358.00
Total Unsecured Statutory Creditors	1,663,216.88

Unsecured Trade Creditors

Creditor Name	Administrators' / POD Value (\$)
1300 Locate Pty Ltd	2,079.00
1300TempFence (Ready Industries Pty Ltd)	2,611.07
156 Progress Road Pty Ltd	1,636,470.84
240 Electrical Pty Ltd	26,865.27
5 Star Glass Pty Ltd	8,800.00
A & J Roofing Solutions Pty Ltd	1,258.18
A & S Stairs Pty Ltd	48,048.00
A Sign Design Pty Ltd	2,906.20
A1 Builders Finals (A1 Services Group Pty Ltd)	1,524.70
A1 Excavations (Triffitt Family Trust)	38,911.40
AAB Equipment Pty Ltd	487.73
AAROMAT Fencing & Balustrade	324,442.47
AB Crane Hire Pty Ltd	64,411.90
Abbott Forklift Services (Paul Abbott)	82.50
Absolute Waste (G & J Bird Enterprises Pty Ltd)	4,015.20
Absolute Waste QLD PTY LTD (NEW)	30,438.76
Abyss Demolition Pty Ltd	11,220.00
ACBS Constructions P/L (Allcover Steel Framing)	17,050.00
Access (Aust) Flooring Pty Ltd att The Access Trus	4,928.00
Access Insulation Pty Ltd	2,785.52
Accurate Fastening Solutions Pty Ltd	60,988.88
Accurate Laser & Levels	121.00
Ace Solid Plasterers Pty Ltd	28,911.32
Acrow Formwork and Scaffolding Pty Ltd	176,549.73
Action Access Hire Pty Ltd	9,062.68
Action Formwork (Aust) Pty Ltd	28,849.70
Active Building Systems Pty Ltd	320.65
Active Hire Service Pty Ltd	9,386.64
Adams Commercial Plumbing & Gasfitting	9,546.50
Adcon Queensland Pty Ltd	296,290.20
Adept Building Approvals ATF Potter Family Trust	5,173.60
ADG Engineers (Aust) Pty Ltd	25,861.00
Advance Rentals Pty Ltd	920.08
Advanced Safety Systems Australia Pty Ltd	2,970.00
AFS Systems Pty Ltd (AFS Unit Trust)	9,798.96
AGS Painting (Agi Family Trust)	4,132.83
AJ Mackie Builders Pty Ltd	7,081.06
AJK Fencing (Goodudinga Pty Ltd)	5,421.35
Akron Plumbing & Drainage	2,871.28
Alan F Wallace	2,144.73
Albert Smith Signs Pty Ltd	3,008.50
Alexandra Hills Post Office (Trustee for Chiu Fam)	178.82
Alfasi Equipment Hire Pty Ltd	19,940.59
Alistair Sanford	11,649.00
Allfix Fasteners Pty Ltd	4,328.78
Allied Builders Pty Ltd	258,634.97
Allwell Hire att Peter Hughes Family Trust	149.82
Altus Traffic Pty Ltd	141,571.05
Always Unique Carpets & Blinds CD & JJ Goodwin T/A	188,208.89
Ambush Security Services Pty Ltd	6,930.00
Amentco Sunstate Group Pty Ltd	8,552.50
American Express Australia Ltd	160,179.78
Andersens Carpets att GG Unit Trust	303,509.20
(Needing A Clean) Annette L Hudson	2,240.00
APD Painting & Decorating (APD Group Services)	42,367.00
APH Glass & Aluminum Pty Ltd	2,976.60
Apprenticeships Queensland Limited	1,554.86
Aquadig Earthmoving	3,383.40
ARC The Australian Reinforcing Company	146,219.97
Arch Tech Pty Ltd	6,190.87
Arondale Interiors Pty Ltd	73,052.07

Creditor Name	Administrators' / POD Value (\$)
Arrow Alpha Industries (TTF The Agwill Trust)	3,337.40
Art Attack Signs (Jason Russell Crew)	231.00
Ascot Demolitions Pty Ltd	1,100.00
Ascott Electrical Service	759.40
Ashton Sankey Cleaning Services	993.22
ASI JD MacDonald Pty Ltd	2,917.99
Askin Cabinets (Consolidated Joinery Pty Ltd)	12,961.38
Astek Cranes Australia Pty Ltd	1,535.60
ATF Services Pty Ltd	2,582.68
ATP Plastering Services Pty Ltd	11,924.00
AssetInsure	813,800.00
Ausrish Tower Cranes Pty Ltd	209,475.20
Aussie Cabinet Co P/L (R & L Andrew Family Trust)	46,869.14
Aussie Height Safety (Aussie Guard Rail Pty Ltd)	12,930.78
Austral Masonry (QLD) Pty Ltd Acc 191476/465596	153,618.75
Austral Precast (QLD) Pty Ltd Acc 459471	383,142.72
Australian Architectural Fire Doors Pty Ltd	37,893.52
Australian Prestressing Structures Pty Ltd	17,946.50
Avopiling (QLD) Pty Ltd	25,643.75
AWX Pty Ltd	7,356.75
Axis Surveys Pty Ltd	3,553.00
B & B Steel Fixers (B & B Steel Fixing QLD P/L)	94,283.37
B & B Steel Fixing Pty Ltd	496,862.45
B & F Interiors Pty Ltd	7,709.48
B Amazed Cleaning (K Rhule T/A)	6,257.48
B&Z Solid Plastering Pty Ltd	2,200.00
Barakat Carpenters Pty Ltd	8,800.00
BBC Digital (Brisbane)	1,177.62
BCA Consultants (Qld) Pty Ltd	1,045.00
Beaumont Tiles (RJ Beaumont & Co Pty Ltd)	73,538.87
Bedazzled Electrical Pty Ltd	60,037.34
Beenleigh Interior Linings/Ahrens Enterprises Pty	22,486.29
Beko A and NZ Pty Ltd	18,659.93
Best Doors (Jaqmar Pty Ltd T/A)	36,753.70
Better Bathrooms Qld (One Stop Suppliers Pty Ltd)	1,407.30
Betterlay Block Laying (BL Brick & Block Pty Ltd)	12,840.10
BG Structures Pty Ltd	17,787.00
BGC Solid Plastering & Painting	29,594.95
Big Red's Concrete Cutting	101,787.08
Big Rhino Crane Hire	12,721.52
Big River Group Pty Ltd	110,428.56
BJS Group (Qld) Pty Ltd	5,152.56
Blackwater Hardware	3,351.07
Blind Brothers (Australia) Pty Ltd	3,413.66
Blooms Hire (Jarcam Pty Ltd T/A)	44,528.34
BMS Built Pty Ltd	10,458.30
Bohdattious Build Pty Ltd	2,119.70
Boland Cranes T/A Qld Self Erecting Cranes	239,830.25
Bowers (Corporate Ventures (Aust) Pty Ltd)	102,725.29
BP Plumbing Supplies	10,364.20
Bradicich Consulting Engineers Pty Ltd	2,750.00
Brett Saint ATF Saint Family Trust	32,133.54
Bretts Pty Ltd	26,437.30
Brisbane City Council	24,217.50
Brisbane Fencing Pty Ltd	3,354.56
Brisbane Fork Truck Service (Dimglen Pty Ltd)	926.90
Brisbane Glass Splashbacks (Trustee for Oudyn)	5,671.00
Brisbane Hire Service	2,362.43
Brisbane Ice Pty Ltd	123.20
Brisbane Plaster Pty Ltd	357,669.00
Brisbane Pump Action Pty Ltd	10,027.11
Brisbane Spa Centre (Clairmont Pty Ltd)	13,050.40
Briz Floors Pty Ltd	7,380.45
Bronson Safety Pty Ltd	790.02
Brownlec P/L T/A Mike Brown's All Power Electrical	67,035.14
BT Rendering (Brent Thomson)	9,900.00
Builders Discount Warehouse (Springwood) Pty Ltd	3,501.00
Building Design Alternatives Pty Ltd T/as BDA Fire	2,750.00
Buildsafe Queensland Pty Ltd	5,229.06
Bunnings Trade (Account 35378)	138,693.38
Bunnings Trade (Account 410318)	9,374.59
Butler Partners Pty Ltd	34,757.65
BW McAleese & KC McAleese	43,782.86
C J Developments (C & C Hughes Family Trust)	15,272.95
Capricorn Survey Group (CQ) Pty Ltd	8,948.50

Creditor Name	Administrators' / POD Value (\$)
Carpet Call (Qld) Pty Ltd	1,496.00
Castle Excavations	3,520.00
Centurion Garage Doors Pty Ltd	429.00
Chadland Pty Ltd T/A Tile City	17,370.28
Chermside Mitre 10	11,578.28
Chizmo Pty Ltd	11,420.80
Citibank Ltd	40,838.76
Citiform Pty Ltd (TTF Febicoski Family Trust)	3,516.70
Civic Showerscreens & Wardrobes	267,119.05
Clarke and Prince Pty Ltd (Capco Unit Trust)	24,420.00
Clean Response (Marie Deane)	1,694.00
CN & DM Berry (Family Partnership)	2,544.00
CNT Electrical (C & T Richards Pty Ltd)	432,768.83
Coast 2 Coast Earthmoving Pty Ltd	20,418.29
Coates Hire Operations Pty Ltd	56,078.06
Colcrete Pty Ltd	27,466.53
Colonial Wall Linings (DJ & DP Proberts)	17,881.42
Commercial Brisbane Pty Ltd	2,383.00
Commercial Concrete Pumping Pty Ltd	16,394.12
Complete Design Fabrication	4,936.80
Concord Industrial Coatings Pty Ltd	5,192.00
Concrete Pumping Queensland	1,635.70
Concrete Radar & Location Services	687.50
Consolidated Energy Systems	80,724.37
Contemporary Air and Electrical Services (Calder)	22,748.00
Continental Cabinets & Joinery (Aybury Pty Ltd)	99,000.00
Contour Design Builders Pty Ltd	2,800.00
Cooltone Sun Control (Tint Works QLD Pty Ltd)	517.00
Corinthian Industries Aust Pty Ltd	34,346.77
Cottee Parker Architects Pty Ltd	28,424.00
Couran Cove Island Resort Pty Ltd - Infrastructure	479.74
CQ Crane Hire	4,801.24
Creepy Crawly Pest Control (Rockhampton)	5,240.00
Crown Cabinetry Pty Ltd	15,235.07
CSF Company Pty Ltd	132,359.39
CSR Gyprock Fibre Cement QLD	1,488.68
CSR Roofing (CSR Building Products T/A)	14,172.40
Curtain Elegance (Qld) Pty Ltd	598.00
Custom Glass & Splashbacks	23,040.76
Custom Metal Solutions (TTF CMS Trust)	25,588.68
Cutting Edge Landscaping Pty Ltd	440.00
CVSG Electrical Construction Pty Ltd	123,499.62
D-Tech Concrete Scanning (TTFT Deans Family Trust)	440.00
Damaged Bathware Solutions	385.00
Damien McCormack Carpentry	10,676.78
Darra Tyre Service Pty Ltd ATF The DTS Unit Trust	95.00
David Moore and Associates Pty Ltd	825.00
DC Construction Services Pty Ltd	32,609.50
Decorative Screens Direct (TTF the AMMD Trust)	24,359.50
Decs N Huds Constructions Pty Ltd	16,379.70
Dedicated Acoustics (Craig Norman O'Sullivan)	2,310.00
Dellit Concreting Pty Ltd	375,455.63
Design-All Cabinets Pty Ltd	39,336.00
Direct Concrete Pumping (D & TV Iacune)	1,227.38
Direct Hire	10,247.05
DNA Drywall Plastering (Amandain Pty Ltd)	30,983.88
Douglas Partners Pty Ltd	3,316.50
Down Under Insect Screens & Security Pty Ltd	29,228.00
DPH Projects Pty Ltd	301,914.45
DTM Timber	426,607.37
DTS Group QLD Pty Ltd	2,634.00
Dulux Group (Australia) Pty Ltd	5,088.36
Dynaton Sales & Hire Pty Ltd	3,050.16
Eagle Alliance Earthmoving Pty Ltd	120,487.35
Earp Bros Hardware Pty Ltd	28,184.30
Edge Plastering QLD Pty Ltd (Horvath Family Trust)	60,461.50
Edge Tile & Stone Pty Ltd	132.00
Effective Airconditioning Services Pty Ltd	35,199.19
ELGAS Limited	33.00
Ellem Warren Lawyers (Ellem Warren Pty Ltd)	9,339.24
Ellivo Architects Pty Ltd	1,828.75
Elrock Housing Pty Ltd	49,028.58
Emerald Carrying Co	115.50
Emma Blundell	3,713.00
Energy Rating Consulting	770.00

Creditor Name	Administrators' / POD Value (\$)
Envy Plumbing & Gasfitting Pty Ltd	109,909.25
Enzed Coopers Plains (Parker Hannifin Aus P/L)	1,329.33
Ergon Energy	4,795.96
ETC Hire Pty Ltd	4,619.85
Etender.net.au PTY LTD	1,650.00
Evolution Group Australia Pty Ltd	8,400.36
EVS Group Australia Pty Ltd	92,293.75
Exceed Concrete Construction Pty Ltd	26,984.10
Excel Concrete Pty Ltd	52,522.66
Excel Property Consultants	4,150.00
Fast Tread Industries (FTI Group Pty Ltd)	48,769.02
Fencemaster Central Queensland (Gracemere Fencing)	56,701.82
Fencescape Gold Coast North (Smith Brothers Trust)	562.50
Fibercon (QLD)	462.00
Filtered Fresh Pty Ltd	47.67
Finlayson Timber & Hardware P/L	1,122,479.63
Firemex Pty Ltd	14,668.50
Flame Engineering Pty Ltd (Trustee SK Dietz Family	860.40
Followmont Transport	8,533.16
Ford Painting QLD (FORD, Paul Anthony)	13,440.76
Fork Force Australia Pty Ltd	2,441.98
FoundU Labour Pty Ltd	17,882.66
Franklyn Blinds Awnings Secuirty	537.16
Fraser Products (Amfal Australia Pty Ltd)	681.45
Fyreguard (Nofire Pty Ltd T/A)	145.20
G & L Dunnett Plasterboard Contractors Pty Ltd	67,565.30
G & T Linemarking Pty Ltd	11,412.94
Gard-It Pty Ltd	44,877.40
Gary Taylor Homes Pty Ltd	22,294.72
Gasworks Domestic (Trustee for)	12,913.12
Genbuild Group (TTF Genbuild Trust)	2,430.38
General Air Conditioning Services Pty Ltd	10,385.79
Geoff Burr Painting Pty Ltd	83,652.80
Gill & Co (Cleveland) Pty Ltd	20.60
Gill & Co Pty Ltd	42,230.67
Gliderol Garage Doors (GWA Group Ltd)	73,790.08
GM Painting and Decoration Pty Ltd	44,853.45
Going Up Elevators Pty Ltd	5,093.55
Green Bins (Cleanaway Pty Ltd)	73,987.51
Greenbins (Waste 2 Resource Group P/L)	266.00
Guardian Fire Control	1,508.10
H2O Consultants (Senrab98 Pty Ltd)	2,640.00
Hamilton Roofing (Aust) Pty Ltd	23,552.27
Handford Engineering	27,919.05
Hanson Construction Materials	624,625.64
Harbour City Landscapes (Limowi Pty Ltd)	27,000.00
Harvey Norman AV/IT Superstore Browns Plains	1,613.95
Harvey Norman Business and Education	816.00
Harvey Norman Commercial (Faranu Pty Ltd)	127,037.64
Hayden Electrical Qld Pty Ltd	373,501.20
Hays Specialist Recruitment (Australia) Pty Ltd	13,570.84
Heaydon Diesel Services	405.63
Height 4 Hire Pty Ltd	9,904.79
Help Enterprises Limited	7,629.00
Henderson Plumbing (TTF Henderson Family Trust)	1,925.00
Heritage Stone Qld Pty Ltd	126,352.88
Hi-Reach Rentals (Aust) Pty Ltd	1,942.60
Hilti (Aust) Pty Ltd	10,565.18
Holcim (Australia) Pty Ltd (QLD Account 540407)	28,223.20
Hopes Concrete Pumping Services Pty Ltd	48,316.07
Hoppen's Carpets (TTF WME Investments Trust)	1,816.65
Horizon Coatings (Nth) Pty Ltd	19,611.67
Hudson Building Supplies	12,251.48
Hume Doors & Timber (Qld) Pty Ltd	157,466.59
Image Cabinets Pty Ltd	21,269.08
Impact Plumbing & Gas Pty Ltd	163,707.02
Imperial In House (DS Design House Pty Ltd)	14,913.00
Imperial Kitchens (Garrima Pty Ltd)	111,210.00
Imperium Glass Group Pty Ltd	6,026.18
IN Isackson & N Isackson	11,193.60
Independent Concrete Testing (QLD)	942.70
Independent Reinforcing Supplies (Qld) Pty Ltd	289,124.02
Indooroopilly Carpet Court (Bowman Trust)	23,565.18
Industrial Roof Technology Pty Ltd	1,961.85
Inertia Engineering Pty Ltd	6,435.00

Creditor Name	Administrators' / POD Value (\$)
Infini Group Recruitment Pty Ltd	47,873.50
Intablock Pty Ltd	16,225.00
Intercoat Painting Pty Ltd	80,941.70
INZ Electrical Services Pty Ltd	44,048.62
Iwikoor Renovations (Iwikoor Trust)	660.00
J & C Blinds & Shutters Pty Ltd	29,248.20
J Barnes & Sons Pty Ltd	36,850.00
J James Painting Contractor Pty Ltd	29,400.63
Jacks Drainage (The Trustee for Jack Trust)	12,857.90
Jeff Egan Concrete Cutting Services	662.20
JJ & Co Industries Pty Ltd	253,068.11
JKA Commercial Glazing (Jon Kendall & Assoc)	150,183.94
JLF Corporation Pty Ltd atf John Fitzgerald F Trus	68,504.00
JMB Electrical & Air Conditioning Pty Ltd	139,142.60
John Barnes & Co (QLD) Pty Ltd	11,030.47
John Zarb Glass & Glazing Pty Ltd	7,955.20
Kaiman Cabinets (Qld) Pty Ltd	385,189.23
Kaizem Pty Ltd atf the Kuciak Family Trust	8,994.62
Kalessi Bathroomware (HCA Group Pty Ltd)	1,926.93
Kawana Kitchens (Kawana Joinery Co Pty Ltd)	15,444.00
KBK Builders (Talonmane Trust)	2,649.30
KDT Fabrications Pty Ltd	112,167.00
Ken's Group of Companies	2,041.47
Kennards Hire Pty Limited	29,571.40
Kiermac Trading Pty Ltd	104,362.39
King-Kongcrete Pumping	85,770.10
King Planning Pty Ltd	1,936.00
Kitchens By Resident Hero Pty Ltd	14,121.39
Kiwi Tree Lopping (Rewita Investments Pty Ltd)	3,500.00
Knight Consulting Engineers Pty Ltd	1,793.00
Knisco Development Solutions Pty Ltd	1,584.00
Kone Elevators Pty Ltd	69,338.50
Konnect QLD	5,556.12
KP & VL Jeffs	560.45
Kybro Formwork Specialists (Trust)	11,420.75
L & M Painting (Qld) Pty Ltd	1,672.94
L & S Owen Pty Ltd	385.00
L & T Supa-Klean	742.50
Landscape Conservation	77,763.06
Langs Building Supplies Pty Ltd	449.63
Larc Collective (Luke A Jones)	3,146.00
Laser Electrical Gumdale	34,549.35
Laser Plumbing Coopers Plains	493.00
Laser Plumbing Gumdale (SOS Plumbing Services P/L)	391,494.07
Laser Plumbing Warana (Peter King Plumbing P/L)	2,348.50
Laser Services Pty Ltd	453.20
LBM Group Pty Ltd	16,944.86
LCM Air Conditioning Pty Ltd	35,619.99
Liam McMahon Concreting	44,482.81
Lift Logistics Pty Ltd	23,274.66
Local Hire Pty Ltd	9,887.35
Lock-up Concreting (Petersmith Pty Ltd)	296,739.30
Lockley Family Trust (The Trustee for)	839.45
Logan City Fabrication	148.50
Logan Crane Hire (Marschall Family Trust)	1,147.21
Logical Line Marking (Bossmon Pty Ltd)	522.50
Logical Plumbing Solutions	173,992.95
Logicon Services Pty Ltd	20,876.55
Look Sharp Rendering	14,436.12
Lyndon Agencies	6,508.95
Magnus Tropical Nursery Pty Ltd	34,534.50
Master Hire Pty Ltd	4,133.39
Master Kelvin Floors	73,524.95
Maurice Property Group Trust	19,868.75
McCullough Robertson Lawyers (DR Bedford & Others)	12,975.19
McGinn Concrete	12,975.19
McMurtrie Consulting Engineers atf McMurtrie Fmly	8,398.50
MCP QLD (QJV Pty Ltd ATF MCP Trust t/a)	51,371.67
McPherson Group -McPherson Plant Hire Australia PL	352,144.66
Mesh & Bar Pty Ltd	8,074.77
Met Tile (Met Enterprises Trust)	10,831.23
Metered Energy Holdings Pty Ltd	20,930.79
Metro-Lift Cranes (Metropolitan Carriers Pty Ltd)	1,629.38
MetroSteel	204,055.50
Mic-Vic Qld Pty Ltd	2,516.80

Creditor Name	Administrators' / POD Value (\$)
Mills Oakley Lawyers	9,317.00
Mini Tankers Australia Pty Ltd	2,562.42
Minnis & Samson Pty Ltd	3,072.30
Mirage Doors (Aust) Pty Ltd	4,323.00
Mirndiyan Gununa Aboriginal Corporation	800.00
Miro Simanic	27,744.10
Mitchell Brandtman	7,471.75
MKD Developments Pty Ltd	25,761.35
Mobile Concrete Pumping Qld P/L atf Mobile P Trust	10,206.57
Modern Commercial Floor Coverings Pty Ltd	49,901.00
Momentum Windows Pty Ltd	63,486.53
Mondo Architects Pty Ltd	7,425.00
Mornington Shire Council	3,710.00
Mountain View Pools & Spas (KA & G Hearn T/A)	2,805.65
MPA Surveying Pty Ltd	665.50
MTS Air Conditioning & Mechanical Services Pty Ltd	365,678.48
Nano Energy Pty Ltd	3,190.00
Napier & Blakeley Pty Ltd	3,080.00
Nash Crane Trucks	11,811.80
Nash Industries Pty Ltd T/A Satchells	20,517.20
National Tiles	13,494.47
Nationwide Crane Hire Pty Ltd	1,969.00
Neverfail Springwater Ltd (Brisbane Acc 201842719)	81.05
Newnham Scaffolding Pty Ltd	24,858.40
Nicholas Smith	25,552.34
Norfolk Blinds Pty Ltd (TTF Norfolk Trust)	22,315.50
Northern Metal Roofing Pty Ltd	108,221.40
Nova Contracting (ECO Contractors Pty Ltd)	17,630.03
NQ Group Pty Ltd	31,222.96
NRT Building Pty Ltd	5,982.52
O'Brien Painting Contractors (SSDN Pty Ltd T/A)	3,710.74
Obsidian Plumbing Services Pty Ltd	82,335.39
Office National Capalaba	8,468.03
Omnii Pty Ltd	9,526.00
One Stop Joinery QLD atf Seaspray (QLD) Pty Ltd	3,219.46
Opus International Consultants Ltd	3,762.00
Origin	11,429.48
Outreach Fork Hire (Vincent Ventures Pty Ltd T/A)	528.00
Outset Constructions Pty Ltd	430.27
Ozwide Construction Cleaning Pty Ltd	6,155.03
Pacific Flooring Services Pty Ltd	14,654.44
Panelfab (Aussie Hire Pty Ltd T/A)	5,404.47
Partners Engineering (Q-Press Trading Pty Ltd)	24,365.00
Peachester Timber Company Pty Ltd	967.89
Perfect Shine QLD (Olivia & Cooper Pty Ltd)	508.20
PGH Bricks & Pavers (Boral CSR Bricks Pty Limited)	104,517.73
Piling & Civil Australia	1,969.85
Pitman Properties Pty Ltd	32,186.00
Plastamasta Southside	73,134.10
Plumbworx (Liquid Solutions Pty Ltd)	3,453.33
Plus Industries Pty Ltd	157.50
Poles and Holes	1,863.66
Polite Enterprises Corporation Pty Ltd	880.00
Pottso's Painting Service	26,071.55
Powerdirect Pty Ltd	729.49
Powerspec Pty Ltd	7,021.33
Pre Hung Doors (Kimble Pty Ltd)	2,692.80
Precision Concrete Pumping (Aust)	2,389.09
Preh Pty Ltd	8,947.19
Preston Hire (QLD) Pty Ltd	99,711.70
Printers & Plotters	1,564.41
Pristine Painting Systems Pty Ltd	59,832.38
Pro Line Concrete Pumping QLD T/A (Sole Trader)	902.00
Pro Set Plasterboard Contracting Pty Ltd	8,711.86
Professional Builders Cleaning Pty Ltd	26,788.25
Progress Fire Co Pty Ltd	25,241.63
Project Floors & Design Pty Ltd	106,466.44
Benjamin Charles Purvis	1,024.40
Q Formwork Pty Ltd	80,974.30
QFE Technologies Pty Ltd	11,861.30
Queensland Crane Hire & Rigging Pty Ltd	36,656.72
Queensland Elevators Pty Ltd	5,896.00
Queensland Fire and Emergency Services	3,580.34
Queensland Pre-Stressing Pty Ltd	91,468.43
Queensland Pro Painting Pty Ltd	9,348.48

Creditor Name	Administrators' / POD Value (\$)
Quill Signs	4,149.75
Qwikchutes (Lynsteve Pty Ltd)	2,871.00
RAD Connect (Cairns Taxis Limited)	2,697.20
Raven Roofing (Raven Roofing Unit Trust)	78,847.22
RAW Skips (AKM Earth Pty Ltd)	21,379.00
Reece Pty Ltd (QLD Account 4078699)	6,315.91
Regency (Showerscreens & Wardrobes) Pty Limited	17,387.70
Remote-a-door remote-a-gate	975.67
Rent A Fence Pty Ltd	15,157.75
Robert Parrella (Parrella Trust)	756.75
Rock Solid Rendering P/L ATFT Rock Solid Trust	155,411.86
Romans & Romans Lawyers	75,939.29
Roofmasters Pty Ltd	2,398.00
S & M Jones Painters Pty Ltd	6,336.00
S & S Build Pty Ltd	1,608.75
S3 Tiling (Steven Khong)	33,213.40
Safa Glass Pty Ltd	990.77
Safe Qld Pty Ltd	74,357.44
Sagorski Bricklaying Contractors (SAGORSKI, Leon)	63,728.17
Samios Plumbing Pty Ltd	458,122.69
Schindler Lifts Australia Pty Ltd	818.79
Scratchless (QLD) Pty Ltd	760.00
SE QLD Plumbing & Drainage Pty Ltd	11,596.04
SE Rentals Pty Ltd	9,533.35
Seal'em Solutions	26,625.00
Searles Plumbing & Drainage Trust	90,125.00
Seaside Bricklaying Pty Ltd	30,683.84
Securcom Pty Ltd	341.00
Select Commercial Joinery (Wards Robes Pty Ltd)	522,065.06
SEQ Commercial Cleaning (TTF Bells Business Trust)	3,520.00
Shane Reginato Plumbing Pty Ltd	335.50
Shaw Contract Group Australia Pty Ltd	171.36
Shore Hire Pty Ltd	816.20
Shoreseal Waterproofing	5,260.79
Showerama Products Pty Ltd	280,989.11
Side by Side Scaffolding & Rigging Services (AUS)	427,622.40
Signarama Redlands (TTF SAR Redlands Unit Trust)	462.00
Signs of Safety	441.10
Silverhill P/L (Steve Dominikovic Family Trust SF)	4,008.75
Simon Attwood	5,056.35
Simon John Bushell	2,749.91
Sirius Concrete Cutters Pty Ltd	2,629.77
Site Concreting Pty Ltd	13,304.50
Skydome Skylight Systems Pty Ltd	26,400.00
Skypanel (Aust) Pty Ltd	8,267.46
Skyreach Pty Ltd	2,611.50
Skyspan Umbrellas Joint Venture Pty Ltd	8,571.20
Smartin Electrical P/L (TTF Martin Family Trust)	5,368.00
Snowdonia Airconditioning Pty Ltd	16,148.00
Snows Office Supplies Pty Ltd	591.15
South Australian Water Corporation	295.35
Southern Star Windows	81,589.04
Southside Pressure Cleaning	1,925.00
Specialised Asset Maintenance	16,303.51
Specialised Disposal Services (Felrick Pty Ltd)	4,622.52
Spectrum Electrical & Data Pty Ltd	24,904.42
STA Consulting (Engineers) Group Pty Ltd	11,420.00
Stegbar Pty Limited	132,258.42
Stoddart (NQ) Pty Ltd	45,001.00
Stoddart (SE Queensland) Pty Ltd	44,100.10
Stone Directions Pty Ltd	679.00
Stop Gaps Construction Services Pty Ltd	412.50
Storm Painting & Rendering Pty Ltd	43,167.34
Storm Scaffolding	157,094.77
Stormcapit Pty Ltd	2,035.00
Stronger Foundations Pty Ltd	2,908.40
Summit Roofing Holdings Pty Ltd	204,887.17
Suncoast Asphalt Pty Ltd	1,952.50
Sunni Clothes Hoists & Letterboxes	3,924.80
Sunstate Locksmiths (SE & DF Richardson)	1,441.00
Sunstate Solutions Pty Ltd	3,538.15
Superior Crane Hire Pty Ltd	9,908.25
Supreme Shower Screens (Casetelle Pty Ltd)	9,802.49
Syfon Systems Pty Ltd	7,374.15
Tarack Holdings Pty Ltd	53,350.00

Creditor Name	Administrators' / POD Value (\$)
Task Industries Pty Ltd	806.67
TAT Builders Pty Ltd	3,327.75
TC Plasterers (Voukelatos Family Trust)	33,724.01
TC Tippers (Roquestar Pty Ltd)	1,067.00
TCL Lighting Australia (D & FortuneTrading P/L)	26,169.50
Telstra	46,718.71
Termicide Pest Control	12,573.00
Terramap Pty Ltd	26,457.95
Terry Scott Fencing	29,194.00
TFH Hire Services Pty Ltd	21,380.78
The Haggarty Group Qld Pty Ltd	141,843.27
The Play Works (Playmakers Pty Ltd T/A)	715.00
The Wilson Group (QLD) Pty Ltd T/A Wil-Tow Assist	21,624.69
Tile Solutions (Sunshine Coast) P/L	5,775.08
TJs Imaging Centre	162.25
TnK Property Services Pty Ltd	93.50
Top Gun Landscaping (Port Family Trust)	252,799.00
Topnotch Cleans (Sheree Cooper - Sole Trader)	2,471.04
Torres Strait Island Regional Council	6,664.00
Total BLOX Pty Ltd (The Trustee for TAB Trust)	184,077.51
Touchwood Fire doors (The Denmore Group P/L T/A)	24,673.29
Tox Free Australia Pty Ltd T/A Smart Skip	6,528.50
Trade Builders Supplies (Tawbay Pty Ltd)	523.04
Tradeline Site Solutions (Pivot Australia Pty Ltd)	16,697.63
Tradelink (Crane Distribution Limited)	8,840.48
Traffex (Aust) Pty Ltd	2,141.04
Trans Communications Pty Ltd	2,810.50
Trend Aluminium	279,079.21
Trend Windows	236,202.95
Trident Security (QLD) Pty Ltd	7,373.52
Trojan Landscapes	41,145.61
TTM Consulting Pty Ltd	7,623.04
Two Blokes Tiling (Paul Laven)	958.93
TWT Concrete Pumping	23,973.62
Tyrolit Australia Pty Ltd	1,264.60
Unica Stone and Tile Boutique Pty Ltd	12,520.88
Uptiles Strathpine (Golridge Pty Ltd)	380.00
Urban Coatings (QLD) Pty Ltd	17,833.02
Urban Strokes Pty Ltd	36,233.22
Urbanline Architectural (Modinex Products P/L T/A)	5,092.93
Valspar Paint (Australia) Pty Limited	171.19
Veolia Environmental Services	109,401.51
Versatile Tiling Solutions (UIH Building Solutions)	204,660.04
Victor George	14,042.06
Victorian Building Authority	245.30
Vidgil Silt Fencing	3,008.50
Vincent Security Pty Ltd	3,489.20
Vipac Engineers & Scientists Limited	880.00
Visie One Pty Ltd	902.70
Vision Surveys Qld Pty Ltd	4,708.00
VT Services Contracting Pty Ltd	40,457.56
W D Surveys	1,650.00
Wade Butler Plumbing Pty Ltd	4,364.00
Waterworks Australia Pty Ltd	1,848.00
Westpac Altitude Visa	2,651.79
Wheelers Concreting Pty Ltd	102,427.60
Wholesale Carpet Man (Frankat Enterprises P/L)	28,305.42
Williams Crane & Rigging Pty Ltd	3,284.05
Willis Bros Installations (Qld) Pty Ltd	37,197.60
Wiltshire Stevens Architecture Pty Ltd	18,480.00
Window Design Solutions (Aust) Pty Ltd	190,158.70
Winfords Pty Ltd	6,416.85
Winning Commercial (Winning Appliances Pty Ltd)	52,767.00
World Carpets Pty Ltd	7,015.00
Yarrow Plumbing Services Pty Ltd	1,143.49
Yellow Block Road (TTF The Beldan Family Trust)	200,919.40
Youngs Bricklaying & Concreting Pty Ltd	36,751.07
Your Resourcing Pty Ltd	309,897.01
Total	28,002,561.89

Annexure “B”

BLOOMER CONSTRUCTIONS (QLD) PTY LTD (ADMINISTRATORS APPOINTED)**ABN: 97 071 344 100****Receipts and Payments Summary (26 April 2017 to 24 May 2017)**

RECEIPTS		(\$)
Cash held on Trust		75,000.00
Debtor Receipts		70,179.57
Funding from Onterran pursuant to Indemnity Agreement		8,870.59
Total Receipts		154,050.16
PAYMENTS		(\$)
Wages & Salaries (net)		(17,414.98)
Total Payments		(17,414.98)
Net Receipts and Payments		136,635.18

Notes:

1. *Current Cash at bank will be applied against the Administrators' outstanding trading and general liabilities.*

Annexure “C”

Creditor Information Sheet

Offences, Recoverable transactions and Insolvent Trading



Offences

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

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

Voidable Transactions

Preferences

A preference is a transaction such as a payment between the company and one or more of its creditors, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant time period is six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent as a result of the transaction.

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

Uncommercial Transaction

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

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

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation.

However, if a related entity is a party to the transaction, the time period is four years and if the intention of the transaction is to defeat creditors, the time period is ten years.

The company must have been insolvent at the time of the transaction, or become insolvent as a result of the transaction.

Unfair Loan

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

Arrangements to avoid employee entitlements

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

Unreasonable payments to directors

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

Voidable charges

Certain charges are voidable by a liquidator:

- Circulating security interest created with six months of the liquidation unless it secures a subsequent advance;
- Unregistered charges; and
- Charges in favour of related parties who attempt to enforce the charge within 6 months of its creation.

Insolvent Trading

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

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

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

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

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

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

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

Annexure “D”

23 May 2017

TO CREDITORS

**RE: BLOOMERS CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.C.N: 071 344 100
(THE "COMPANY")**

PROPOSAL FOR A DEED OF COMPANY ARRANGEMENT

Presented hereunder are details of the proposed Deed of Company Arrangement ("**Deed**") for the Company:

1. The Deed is being proposed by the current sole shareholder of the Company, Onterran Limited A.C.N 117 371 418 ("**Onterran**").
2. The Deed Administrators of the Deed are to be Mr Sule Arnautovic and Mr Trent Andrew Devine of the firm Jirsch Sutherland ("**Deed Administrators**").
3. If deemed appropriate by the Deed Administrators, the Deed could later convert to a Creditors Trust in the Deed period if so ordered by the Court or resolved by creditors/committee of creditors. The Deed Administrators would be appointed the Trustees of the Creditors Trust in this regard.
4. All unsecured creditors of the Company with claims against the Company as at 26 April 2017, the appointment date of the Voluntary Administrators, will be bound by the Deed ("**Participating Creditors**").
5. The Deed will not bind (or restrain the rights of) any secured creditors of the Company i.e. who have a valid and registered security over the whole or substantially the whole of the Company's assets and undertakings.
6. The Deed Fund is to be comprised of:
 - (a) All cash at bank or on hand for the Company as at the date of execution of the Deed; *plus*
 - (b) An amount of \$550,000 will be paid by Onterran to the Deed Fund within sixty (60) days of execution date of the Deed; *plus*
 - (c) An amount representing the net proceeds (after adjusting direct selling, maintenance, valuation, insurance and preservation costs) of sale of the unencumbered plant, equipment, furniture and vehicles owned by the Company. This amount will be paid by Onterran to the Deed Fund within thirty (30) days of the relevant sale of the Company's unencumbered plant, equipment, furniture and vehicles; *plus*
 - (d) An amount representing the net proceeds (after adjusting direct selling, maintenance, valuation, insurance, other securities on title, and preservation costs) of sale of the real property (121 Bowen Street, Roma QLD and 8 Clearview Drive, Roma QLD) owned by the Company. This amount will be paid by Onterran to the Deed Fund within thirty (30) days of the relevant sale of the Company's real property; *plus*
 - (e) Subject to their being insufficient realisations in the Deed Fund, An unlimited Indemnity from Onterran for all priority employee creditor claims

(including superannuation and superannuation guarantee charges) owed by the Company as at the execution date of the Deed. This amount will be paid by Onterran to the Deed Fund within thirty (30) days of being demanded to do so by the Deed Administrators; *plus*

- (f) An unlimited indemnity from Onterran for any shortfalls that are payable by the Company to the National Australia Bank Ltd ("**NAB**") strictly on account of Company liabilities. During the term of the Deed, Onterran will, on behalf of the Company, continue to make available \$1.45m in cash to secure NAB's exposure on Bank Guarantees (circa \$2m) provided for the Company. Any surplus cash that is released by the NAB in respect to released bank guarantees in this regard will be immediately released to the Company and paid into the Deed Fund; *plus*
- (g) During the term of the Deed, Onterran will, on behalf of the Company, use its best endeavours to recover performance bonds totaling \$1.46m issued by Assetinsure Pty Ltd A.C.N 066 463 803 ("**Assetinsure**") for the Company; *plus*
- (h) During the term of the Deed, Onterran will, on behalf of the Company, use its best endeavours to recover cash retention amounts totaling \$2.91m for the Company. Any surplus cash that is released from these Company retentions will be immediately released to the Company and paid into the Deed Fund; *plus*
- (i) Onterran, at its sole cost and during the term of the Deed, will cause the Company to engage Mr Robert Berry of Atlas Gantt Pty Ltd A.C.N 609 729 722 ("**Atlas Gantt**") to realise any and all amounts (debtors, receivables, retentions, release of bank guarantees/bonds etc.) owed (est. \$7.6m gross) to the Company as at the execution date of the Deed. It is noted that some or part of the relevant progress debtor claims may need to be paid direct to subcontractors (in priority) pursuant to the *Subcontractors' Charges Act 1974* (Qld). Neither, the Company nor Atlas Gantt will be able to compromise any amount owing to the Company without written approval from the Deed Administrators; *plus*
- (j) Onterran, at its sole cost and during the term of the Deed, will cause the Company to engage Mr Robert Berry of Atlas Gantt Pty Ltd A.C.N 609 729 722 ("**Atlas Gantt**") to carry out any defects, rectification and/or maintenance work reasonably required under the relevant project contracts/agreements; *plus*
- (k) With the exception of any claims for priority superannuation and Superannuation Guarantee Charge, the director, former directors, Onterran and all of their related and associated Parties (including any Controlled Entities) will not prove or participate in the Deed Fund. Any claims against the Company by these parties (Collectively the "**Excluded Creditors**") will be deferred on the execution date of the Deed and will once again become provable against the Company once the Deed is wholly effectuated/completed. Onterran will indemnify the Deed Fund in this regard, that is, to ensure the same dividend amount is paid to Participating Creditors i.e. what would otherwise have been paid had the Excluded Creditor(s) not claimed on the Deed Fund).

7. If any amount (that would otherwise have been paid to the Deed Fund) is paid to the NAB (in the period of the Deed) under its cross-collateralised securities, Onterran will pay such an equivalent amount in this regard to the Deed Fund.
8. All monies paid under the Deed are not to be refundable to the Company or to any third party, and are to be held on trust by the Deed Administrators as property of the Company.
9. Subject to the Deed, control and stewardship of the Company (and its business) will revert to the directors of the Company as at and upon execution of the Deed.
10. All known (as at the date of the execution of the Deed) Excluded Creditors will execute and agree to be bound by the Deed. Any claim made on the Deed Fund by an Excluded Creditor will increase the total Deed Fund required to be paid by Onterran per Clause 6(k). This includes any provable debt that is later, post execution of the Deed, assigned/subrogated to (or discharged by) Excluded Creditors.
11. Onterran will guarantee the obligations of the Company under the Deed.
12. The Deed Fund is to be applied as follows:
 - (i) Firstly, all out of pocket expenses of the Voluntary Administrators incurred during the administration period till the date of the execution of the Deed;
 - (ii) Secondly, all professional fees of the Voluntary Administrators;
 - (iii) Thirdly, all professional fees and out of pocket expenses of the Deed Administrators;
 - (iv) Fourthly, all priority employee creditor claims (if any) including superannuation and/or superannuation guarantee charge in accordance with Section 556 of the *Corporations Act 2001*; and
 - (v) Finally, payment to all admitted unsecured Participating Creditors of the Company.
13. All unsecured Participating Creditors of the Company must accept their entitlement under the Deed in full settlement of all of their claims against the Company as at the date the Voluntary Administrators were appointed i.e. 26 April 2017.
14. The Company covenants to remit all future taxes and fulfil all other statutory obligations post the execution of the Deed by the relevant due dates.
15. The Deed Administrators are to have full access to all the Company's books and records (including a right to inspect and audit same) on an ongoing basis until satisfaction of the obligations under the Deed.
16. If the Company executes the Deed, the Deed Administrators will not pursue the director/former directors for any legal claims, and the Deed Administrators acknowledge that they will be unable to pursue any voidable and/or insolvent transactions.
17. Additional to any power of the Deed Administrators at law, if the Company or others are unable to comply with any of the fundamental provisions of the Deed including payment of monies due pursuant to the Deed, and/or the Deed Administrators form the view that the Company or others are unlikely to be able to comply with the

terms of the Deed, then the Deed Administrators are entitled to convene a meeting of the Company's creditors at which creditors may resolve to:

(i) vary the Deed; or

(ii) terminate the Deed and wind up the Company appointing Mr Sule Arnautovic and Mr Trent Andrew Devine as its Liquidators.

18. The Deed obligations will be deemed to be satisfied when all amounts required to be paid have been paid and the Deed obligations of all parties complied with to the satisfaction of the Deed Administrators. Once all Deed obligations are satisfied and the Deed Administrators have distributed the Deed Fund the Deed Administrators will effectuate the Deed.
19. If the Company fails to execute a formal Deed document to the satisfaction of the Voluntary Administrators within 15 business days of creditors accepting this Deed Proposal at a Section 439A of the Corporations Act 2001 meeting of creditors then the Company will be wound up.
20. Any other term which is necessary to give effect to the above proposal that is agreed to by the parties to the Deed.

Dated: 23 May 2017



Lachlan McInstosh
Director of Onterran Ltd

Annexure “E”

BLOOMER CONSTRUCTIONS (OLD) PTY LTD
(ADMINISTRATORS APPOINTED)

Comparison between proposed Deed of Company Arrangement ("DOCA") and Liquidation as at 23 May 2017

	Liquidation Low	Liquidation High	DOCA Low	DOCA High	Notes
	Estimate \$	Estimate \$	Estimate \$	Estimate \$	
Assets Not Specifically Charged					
Cash held on trust for Administrators	75,000	75,000	75,000	75,000	
Cash at Bank as at 23/05/2017	61,635	61,635	61,635	61,635	
Debtors & Retentions	Nil	Unknown	537,508	1,994,593	1
Less: Provision for Write-Offs	N/A	N/A	Nil	(450,000)	
Uncommercial & Other Insolvent Transaction Recoveries - Deeds of Settlement	Nil	Unknown	Nil	Nil	
Voldable Preference Payments	1,000,000	2,000,000	Nil	Nil	2
Claims against Bloomer Directors/Onterran (D & O Insurance) for Insolvent Trading and/or Breach of Duties	250,000	500,000	Nil	Nil	3
Claims against Onterran - Deed of Cross Guarantee	Nil	Unknown	Nil	Nil	4
Claim against Onterran - Deed of Covenant and Assurance (OBCC) - \$10,154,978	Nil	Unknown	Nil	Nil	5
Claim against Pivot Way - Deed of Covenant and Assurance (OBCC) - \$1,698,969	Nil	Unknown	Nil	Nil	5
Claim against Wayne Bloomer - Deed of Covenant and Assurance (OBCC) - \$1,244,079	Nil	Unknown	Nil	Nil	5
Claim against Lachlan McIntosh - Deed of Covenant and Assurance (OBCC) - \$550,000	550,000	550,000	Nil	Nil	5
Deed Fund Contributions - General	Nil	Nil	550,000	550,000	
Deed Fund Contributions - NAB Debt Repayment	Nil	Nil	360,000	360,000	6
Less: NAB	Nil	Nil	(360,000)	(360,000)	6
Total Estimated Realisations	1,936,635	3,186,635	1,224,143	2,231,228	
Assets Specifically Charged					
NAB Term Deposit - Bank Guarantees	1,359,707	1,359,707	1,359,707	1,359,707	
121 Bowen Street, Roma QLD	90,000	100,000	90,000	100,000	
8 Clearview Drive, Roma QLD	180,000	200,000	180,000	200,000	
Plant & Equipment - Rentmax/Capital Finance	68,500	98,500	Nil	Nil	
Less: Rentmax/Capital Finance Liability	(68,500)	(98,500)	Nil	Nil	
Plant & Equipment - NAB	15,000	35,000	15,000	35,000	
Less: Proceeds to NAB/Bank Guarantees	(1,644,707)	(1,694,707)	(500,000)	(250,000)	
Total Estimated Realisations	0	0	1,144,707	1,444,707	
Total Funds Available for Costs & Priority Employee Creditors	1,936,636	3,186,635	2,368,850	3,675,935	
Professional Fees & Costs - Administration					
Administrators' Trading Expenses	80,000	70,000	80,000	70,000	
Administrators' Fees: 26 April 2017 to 22 May 2017	222,866	222,866	222,866	222,866	
Administrators' Fees: 23 May 2017 to 1 June 2017	50,000	50,000	50,000	50,000	
Administrators' Fees: 1 June 2017 to DOCA Execution	Nil	Nil	50,000	25,000	
Administrators' Legal & Accounting Costs	85,000	65,000	85,000	65,000	
Administrators' Valuation Costs	8,000	6,000	8,000	6,000	
Administrators' Out of Pocket Disbursements	15,000	10,000	15,000	10,000	
Onterran - VA Indemnity	Unknown	Unknown	Nil	Nil	
Total	460,866	423,866	510,866	448,866	
Professional Fees & Costs - Liquidation/DOCA					
Liquidators' Fees	1,000,000	750,000	Nil	Nil	7
Deed Administrators' Fees	Nil	Nil	250,000	200,000	
Legal & Expert Costs	1,000,000	750,000	150,000	100,000	
Rectification & Defects Costs	Unknown	Unknown	Nil	Nil	
Debtor/Mercantile Collection Costs	Unknown	Unknown	Nil	Nil	
Litigation Funding Costs	Unknown	Unknown	Nil	Nil	
Out of Pocket Disbursements	20,000	10,000	10,000	5,000	
Total	2,020,000	1,510,000	410,000	305,000	
Total Professional Costs	2,480,866	1,933,866	920,866	753,866	
Total Funds Available for Priority Employee Creditors	(544,230)	1,252,769	1,447,984	2,922,069	
Priority Employee Creditors					
Superannuation/Wages	14,765	14,765	14,765	14,765	
Leave Entitlements	77,632	77,632	77,632	77,632	
Redundancy/PILN	226,332	226,332	226,332	226,332	
Less: Excluded Employee Claims	(28,800)	(28,800)	(28,800)	(28,800)	
Indemnity for Priority Employee Creditors	Nil	Nil	Unknown	Unknown	8
Total Priority Employee Creditors	289,929	289,929	289,929	289,929	
Total Funds Available for Unsecured Creditors	(834,159)	962,840	1,158,055	2,632,140	
Unsecured Creditors					
Trade & Supply Creditors	25,000,000	20,000,000	25,000,000	20,000,000	9
Less: Subcontractors Charges/Deeds of Release	Unknown	Unknown	(6,680,427)	(6,680,427)	9
Rentmax - Shortfall	22,825	6,000	22,825	6,000	
NAB - Shortfall	Unknown	Unknown	Nil	Nil	
Statutory Creditors - ATO	1,350,000	1,321,284	1,350,000	1,321,284	
Statutory Creditors - OSR	200,000	184,829	200,000	184,829	
Assetinsure	2,700,000	1,136,000	1,136,000	1,136,000	10
Onterran (Related)	3,250,000	3,233,806	Nil	Nil	11
Excluded Employee Creditor - Non Priority amount	28,800	28,800	Nil	Nil	
Gemilava (Related)	3,475,000	3,464,405	Nil	Nil	11
Kurrewa Holdings (Related)	20,000	16,352	Nil	Nil	11
Wayne Bloomer (Related)	1,190,000	1,184,503	Nil	Nil	11
Onterran Creditors (Deed of Cross Guarantee)	15,000,000	10,000,000	Nil	Nil	12
Total Unsecured Creditor Deficiency	52,236,625	40,575,979	21,028,398	15,967,686	
ESTIMATED DIVIDEND OUTLOOK					
Priority Employee Creditors	Nil	100.00%	100.00%	100.00%	
Unsecured Creditors	Nil	2.4%	5.5%	16.5%	

Notes

1	Creditors are referred to section 6.2 of this report for details in relation to debtor claims. In summary debtors are equal to realisable progress claims and retentions less amounts committed to suppliers and subcontractors pursuant to deeds of settlement and release signed prior to our appointment. Please also see Note 9.
2	Creditors are referred to section 8.8 of this report for further details regarding unfair preference payments. The figure disclosed at "Liquidation high" relates to the maximum amount that a liquidator could reasonably expect to recover before taking into account the defences available to the directors.
3	Creditors are referred to section 8.5 and 8.10 of this report for further information in relation to the solvency of the Company and a potential insolvent trading claim against the directors, Onterran and/or the D&O policy held by Onterran. The amount disclosed at "Liquidation high" is indicative of the maximum amount a Liquidator could reasonably expect to recover before taking into account all defences available to creditors.
4	Creditors are referred to section 8.4 of this report for further information in relation to the deed of cross guarantee held with Onterran. Our preliminary view is that in the event the guarantee is called upon, Onterran would have their own solvency issues and would be unable to meet the cross guarantee claim.
5	The deeds of covenant and assurance are unlikely to be recoverable given the covenantors do not appear to have the financial capacity to meet the claims, with the exception of Mr McIntosh.
6	Pursuant to clause 6(f) of the Deed proposal Onterran will make funds available to satisfy the NAB's overdraft debt owed by the Company.
7	In the event the Company is wound up the Liquidator would likely incur significant costs to pursue the insolvent trading claim and voidable transactions available to them.
8	Pursuant to clause 6(e) of the Deed proposal Onterran will make funds available to meet all employee entitlements in the event asset realisations are insufficient to do so.
9	In the event payments are made pursuant to the deeds of settlement and release executed by the Company prior to our appointment the claims of unsecured creditors will reduce accordingly. In the event the Company is unable to complete rectification / defect works the amounts to be realised under those deeds will likely decrease significantly.
10	The Assetinsure liability relates to the surety bonds issued as detailed in section 6.2 of this report. We note that Onterran has guaranteed this facility.
11	Creditors are directed to section 6.8 of this report for further information in relation to related party claims. All related parties have agreed not to participate in any distribution from the DOCA however, they will be entitled to claim as an unsecured creditor in the event the Company is wound up.
12	Creditors are referred to section 8.5 of this report for further information in relation to Onterran's contingent liabilities that will become payable in the event Onterran is subject to an external administration. We note that creditors of Onterran would be able to claim against the Company subject to the deed of cross guarantee in the event Onterran was wound up.

Annexure “F”

STATEMENT OF JOINT AND SEVERAL ADMINISTRATORS' OPINION

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")**

Pursuant to Section 439A(4)(b) of the *Corporations Act* 2001, we are required to make a statement and give reasons for our opinions in relation to the following matters:

(a) Deed of Company Arrangement

Based on the information available to us, it is our opinion that the DOCA proposal provides the best return for creditors as a whole of the Company.

The reasons for our recommendation are outlined in Section 10 of the attached report to creditors dated 24 May 2017.

(b) Administration to end

The Company is insolvent and consequently, it is not appropriate for the administration to end and control of the Company to be returned to the director. We therefore do not recommend that creditors vote for the administration to end.

(c) Company to be wound up

It is not our recommendation that the Company be wound up.

The reasons for our recommendation are outlined in Section 10 of the attached report to creditors dated 24 May 2017. Based on the information available to us, it is our opinion that the proposed DOCA provides a better return for creditors as a whole of the Company.

At this stage, we do not think it is in the interests of creditors to wind up the Company.

Voidable transactions

Pursuant to the *Corporations Regulations* 5.3A.02, we must specify whether there are any transactions that appear to be voidable in respect of which money, property or other benefits may be recoverable by a Liquidator under Part 5.7B of the *Corporations Act* 2001.

We hereby refer you to Section 8 of the attached report to creditors dated 24 May 2017 for details in this regard.

Dated: 24 May 2017



**TRENT ANDREW DEVINE
JOINT AND SEVERAL ADMINISTRATOR**

Annexure "G"

**REMUNERATION REPORT
VOLUNTARY ADMINISTRATION**

APPROVAL OF RESTROSPECTIVE AND PROSPECTIVE REMUNERATION

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
(THE "COMPANY")**

INTRODUCTION

I, Trent Andrew Devine, was appointed as Joint and Several Administrator of the Company along with Sule Arnautovic on 26 April 2017.

The purpose of this remuneration report is to provide creditors with details of the current and estimated prospective professional fees and out of pocket expenses to be incurred by us for the the Company.

This remuneration report is a formal requirement under the *Corporations Act 2001* ("Act") and the ARITA Code of Professional Practice.

DECLARATION

We have undertaken a proper assessment of this remuneration report and we are satisfied that the remuneration claimed is:

- In accordance with the law and applicable professional standards; and
- In respect of necessary work (and properly performed work) in the conduct of the Administration of the Company.

REMUNERATION REPORT – INITIAL ADVICE

This Remuneration Report should be read in conjunction with the ***Remuneration Report – Initial Advice*** ("Initial Advice") dated 28 April 2017. A copy of the Initial Advice (an estimate of our fees for the voluntary administration ("VA") period only) was mailed to all known creditors of the Company as part of the Notice of Appointment and First Report to Creditors.

Enclosed in our Initial Advice was:-

- The current schedule of remuneration and disbursement rates adopted by Jirsch Sutherland; and
- ASIC's guide for creditors in approving fees.

In our Initial Advice, we estimated that the professional fees for the VA period (only) would be approximately \$100,000, plus GST.

If any creditor of the Company has not as yet received the Initial Advice they should make a written request for same with this office.

For creditor's information, we subsequently sent a further advice to the Creditors' Committee on 17 May 2017 that we estimated that the professional fees for the VA period (only) would be approximately \$250,000 plus GST.

PAST REMUNERATION APPROVED

To date, no remuneration has been previously approved and/or paid in this Administration.

CURRENT REMUNERATION APPROVAL SOUGHT:

This remuneration report provides details of approval sought for remuneration for the following remuneration periods:

Table 1 – Summary of remuneration approval sought for each period

PERIOD	REPORT SCHEDULE	AMOUNT (\$EX GST)
ADMINISTRATION		
Resolution 1 – Date of Appointment to 22 May 2017 (26 April 2017 to 22 May 2017)	1 & 2	222,866
Resolution 2 – 23 May 2017 to Meeting Date (23 May 2017 to 1 June 2017)	3 & 4	50,000
TOTAL – ADMINISTRATION		272,866
DEED OF COMPANY ARRANGEMENT		
Resolution 3 – Date of Meeting (1 June 2017) to Execution of Deed of Company Arrangement	5 & 6	50,000.00
Resolution 4 – Deed of Company Arrangement ("DOCA") Period	7 & 8	250,000.00
TOTAL – DEED OF COMPANY ARRANGEMENT		300,000.00
LIQUIDATION		
Resolution 5 – Liquidation Period	9 & 10	750,000.00

Please refer to the attached schedules, as referenced above, for full details of the calculation and composition of the various remuneration approvals sought.

INITIAL ADVICE VERSUS CURRENT REMUNERATION CLAIM

Our current claim for remuneration for the Voluntary Administration period exceeds the fee estimate/range provided for in our Initial Advice and indeed the revised fee estimate provided to the Creditors' Committee on 17 May 2017.

A summary of the reasons why our fees have exceeded our previous estimates are as follows: -

- Extensive work undertaken to verify the financial capacity of Onterran Ltd and related parties to meet their cross-guarantee and deed of covenant obligations in a liquidation of the Company;
- Extensive work in reviewing voidable and insolvent transactions that may be recoverable by any appointed Liquidator(s);
- Extensive work in reviewing whether a successful claim for insolvent trading (or breach of duties) can be brought against the Company's directors and/or Onterran Ltd (noting the existence of various D&O Policies that might be able to respond in favour of the relevant parties);
- Extensive work in relation to assessing what might be recovered from the Company's progress debtors and retentions (given the various Deeds of Release entered into by the Company prior to our appointment)
- Extensive correspondence with creditors and their representatives incl. QBCC;

- Extensive correspondence with the Company's management in respect to the limited trade on of the Company as regards payment of wages, trade on suppliers, debtors, other limited trade on requirements and trading indemnities;
- Extensive discussions surrounding the DOCA proposal and undertaking the analysis of the DOCA versus Liquidation scenario;
- Liaising with various solicitors in relation to the adjournment of the winding up application against the Company;
- Extensive investigations into the affairs of the Company prior to the appointment of the Administrators; and
- Extensive correspondence with the Company's management in relation to the books and records of the Company and verification of enquiries raised in our investigations.

CALCULATION OF RETROSPECTIVE AND PROSPECTIVE REMUNERATION

Please refer to the attached Schedules, as referenced in Table 1 above, for full details of the calculation and composition of the various remuneration approvals sought.

Included in the relevant Schedules for the relevant period (as referenced in Table 1 above) are the following in support of our remuneration claims:

- a summary which sets out an estimate of the hours charged (or likely to be charged) by staff members by task category; and/or
- a summary of tasks undertaken (or likely to be undertaken) by task category including an estimate of time to be charged by task category.

STATEMENT OF REMUNERATION CLAIM

a) Resolutions

The following resolutions (unless approved by the Creditors' Committee prior) will likely be put at the forthcoming meeting of creditors to be held on Thursday, 1 June 2017: -

Resolution 1 - Date of Appointment to 22 May 2017

"That the remuneration of the Joint & Several Administrators for the period 26 April 2017 to 22 May 2017 be approved in the amount of \$222,866 plus GST, such amount calculated on a time cost basis using hourly rates adopted by Jirsch Sutherland, and that such remuneration be drawn at the discretion of the Administrators".

Resolution 2 –23 May 2017 to Meeting Date

"That the remuneration of the Joint & Several Administrators for the period 23 May 2017 to 1 June 2017 be approved to a capped amount of \$50,000 plus GST, beyond which further approval must be sought from creditors, the committee of creditors and/or inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Administrators".

Resolution No. 3 –Date of Meeting to Execution of DOCA

Should the creditors authorise the Company to execute a Deed of Company Arrangement, the following resolution will be put at the forthcoming meeting of creditors:

"That the remuneration of the Joint & Several Administrators for the period 1 June 2017 to the execution date of the Deed of Company Arrangement be approved to a maximum amount of \$50,000 plus GST, beyond which further approval must be sought from creditors, the committee of inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Administrators".

Resolution No. 4 - DOCA Period

Should the creditors authorise the Company to execute a Deed of Company Arrangement, the following resolution will be put at the forthcoming meeting of creditors:

"That the remuneration of the Joint & Several Deed Administrators from the execution date of the Deed of Company Arrangement be approved to a maximum amount of \$250,000 plus GST, beyond which further approval must be sought from creditors, the committee of inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Joint & Several Deed Administrators".

Resolution No. 5 - Liquidation Period

Should the Company be placed into liquidation, the following resolution will be put at the forthcoming meeting: -

"That the remuneration of the Joint & Several Liquidators for the period commencing 1 June 2017 be approved to a maximum amount of \$750,000.00 plus GST, beyond which further approval must be sought from creditors, the committee of inspection or the Court, such amount to be calculated on a time cost basis using the current hourly rates adopted by Jirsch Sutherland which may be increased at a rate of up to 5% at 1 August each year, (rounded up to the nearest \$5.00), and that such remuneration be drawn at the discretion of the Liquidators".

b) Future Remuneration and Monetary Cap

On a preliminary basis, we do not expect to make a further remuneration claim in relation to this matter in addition to the approval sought herein.

Any future remuneration sought is subject to a capped amount which represents the indicative estimate of the highest level of remuneration to be charged by the Administrators/Appointees for the particular period identified. This cap has been calculated based on the supporting schedules provided setting out time to be charged by the Administrators/Appointees by staff members and task/work category.

However, in the event the remuneration within the external administration exceeds the amount we anticipate will be approved by creditors at the upcoming meeting, we may seek approval of this additional remuneration from creditors, the creditors' committee/committee of inspection, or the Court. Should additional remuneration approval be required, we will provide creditors with a further detailed report of the additional work undertaken and the related costs in that regard.

c) Drawing of Remuneration

We advise that any remuneration approved by creditors at the forthcoming meeting will be drawn, from time to time, at our discretion from available funds held by us or under our control.

d) Remuneration Recoverable from External Sources

Please refer to the Initial Advice for information in this regard.

DISBURSEMENTS - GENERAL

All disbursements charged to the Company have and will be charged in accordance with the schedule of remuneration and disbursement rates adopted by Jirsch Sutherland from time to time. The current rates in this regard were attached to the Initial Advice. Detailed hereunder is a summary of disbursements incurred to date:

DISBURSEMENTS	Amount \$ (excl. GST)
Externally provided non-professional services	
Advertising	306.00
Search Fees	298.68
Externally provided professional services	
Legal Fees	29,181.00
Internal Disbursements	
Facsimile, Photocopying & Printing	4,966.40
Postage & Courier	1,805.31
SUB-TOTAL	36,557.39
GST	3,655.74
TOTAL	40,213.13

The above disbursements exclude direct business overheads and trading expenses incurred to date.

Where payments to third parties are paid directly from the administration bank account, they are only included in the receipts and payments summary, if applicable.

Any reimbursements paid to the firm for the above incurred disbursements are detailed in the receipts and payments summary, if applicable.

Future disbursements will be charged in accordance with the disbursement rates set out in the Jirsch Sutherland's Schedule of Out of Pocket Expense Rates – please refer to our Initial Advice

We have undertaken a proper assessment of disbursements claimed/to be claimed for the Company in accordance with the law and applicable professional standards. We are satisfied that the disbursements claimed/to be claimed are necessary and proper.

Creditor approval for the payment of disbursements is not required. Creditors however have the right to question the incurring of disbursements and can challenge disbursements in Court.

DISBURSEMENTS – TRAVEL & ACCOMODATION

During the period 26 April 2017 to date, the following expenses have been incurred by Jirsch Sutherland in relation to the administration of the Company:

PARTICULARS	Amount \$ (excl. GST)
Flights	4,156.82
Taxi Fares (est.)	500.00
Accommodation	1,921.37
Travel Reimbursements	106.68
Total	6,684.87

The Administrators will not seek to be reimbursed for the above costs unless the creditors, the creditors' committee or the Courts approve same.

Included in the Form 532 "Appointment of Proxy Form" is the following resolution for creditors' consideration:

"That the Administrators or Deed Administrators or Liquidators are authorised to draw up to a maximum amount of \$12,000 plus GST on account of any out of pocket expenses incurred in connection with the external administration of the Company that relate to flights, accommodation, taxis and travel".

REPORT ON PROGRESS OF THE ADMINISTRATION

For a report on the progress of the Administration please refer to the attached report to creditors which encloses this Remuneration Report.

GENERAL SUPPORTING INFORMATION

e) Summary of Receipts & Payments

For a summary of receipts and payments, please refer to the attached report to creditors which encloses this Remuneration Report.

f) Information Sheet

Included in the Initial Advice was an information sheet produced by the Australian Securities & Investments Commission ("ASIC") titled "*Approving Fees – A Guide for Creditors*". A copy of same is available to creditors upon written request or by visiting www.arita.com.au or www.asic.gov.au.

QUERIES

Creditors can request more information in support of the remuneration/disbursement claims and/or receipts and payments by making a written request to this office in this regard.

Should you require any further information, please contact Des Byron of this office on 1300 547 724.

Dated this 24th day of May 2017

A handwritten signature in black ink, appearing to read 'Trent', with a stylized flourish at the end.

TRENT ANDREW DEVINE
JOINT AND SEVERAL ADMINISTRATOR

BLOOMER CONSTRUCTIONS (QLD) PTY LTD (ADMINISTRATORS APPOINTED)

ACN 071 344 100

RESOLUTION 1 - CALCULATION OF REMUNERATION FOR THE PERIOD 26 APRIL 2017 TO 22 MAY 2017

EMPLOYEE	POSITION	RATE		TOTAL		ASSETS		CREDITORS		EMPLOYEES		TRADE ON		INVESTIGATIONS		DIVIDEND		ADMINISTRATION	
		(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS
Christopher John Basker	Partner	615	17.7	10,885.50	4.2	2,593.00	5.8	3,567.00	-	-	-	-	-	3.7	2,275.50	-	-	4.0	2,460.00
Sule Arnaudovic	Partner	615	40.4	24,846.00	5.3	3,259.50	29.7	18,265.50	-	-	-	-	-	-	-	-	-	4.2	2,583.00
Trent Andrew Devine	Partner	615	41.7	25,645.50	9.2	5,658.00	12.7	7,810.50	1.4	861.00	-	-	-	11.7	7,195.50	-	-	6.1	3,751.50
Contractor2 Liz Russell	Senior Manager	530	42.5	22,525.00	21.5	11,395.00	-	-	-	-	-	-	-	21.0	11,130.00	-	-	-	-
Otim Oluk	Senior Manager	530	64.2	34,026.00	-	-	2.5	1,325.00	-	-	-	-	-	-	-	-	-	61.7	32,701.00
Desmond Byron	Manager 2	485	91.4	44,329.00	8.1	3,928.50	18.3	8,875.50	4.5	2,182.50	-	-	-	44.5	21,582.50	-	-	4.9	2,376.50
Kathryn Gesilva	Manager 2	485	21.5	10,427.50	1.5	727.50	9.5	4,607.50	3.8	1,843.00	-	-	-	5.1	2,473.50	-	-	1.1	533.50
Annika Pace	Senior 2	355	55.1	19,560.50	1.6	568.00	20.7	7,348.50	1.5	532.50	-	-	-	26.7	9,478.50	-	-	4.6	1,633.00
Vincent Wang	Senior 2	355	34.4	12,212.00	1.0	355.00	31.0	11,005.00	-	-	-	-	-	0.4	142.00	-	-	2.0	710.00
Robert Arnaudovic	Intermediate 1	315	0.2	63.00	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2	63.00
Emily Guan	Graduate	265	36.6	9,699.00	-	-	28.8	7,632.00	-	-	-	-	-	5.7	1,510.50	-	-	2.1	556.50
Erinil Efstathiou	Graduate	265	22.9	6,068.50	-	-	20.0	5,300.00	0.4	106.00	-	-	-	1.4	371.00	-	-	-	-
Caitlin Duffy	Snr Admin Assist	225	1.0	225.00	-	-	-	-	-	-	-	-	-	-	-	-	-	1.0	225.00
Christine Trifaj	Snr Admin Assist	225	0.2	45.00	-	-	-	-	-	-	-	-	-	-	-	-	-	0.2	45.00
Deborah Grapsas	Snr Admin Assist	225	0.8	180.00	-	-	0.5	112.50	-	-	-	-	-	-	-	-	-	0.3	67.50
Holly Cooper	Snr Admin Assist	225	0.5	112.50	-	-	-	-	-	-	-	-	-	-	-	-	-	0.5	112.50
Kim Dionisopoulos	Snr Admin Assist	225	0.9	202.50	-	-	-	-	-	-	-	-	-	-	-	-	-	0.9	202.50
Rosemary Cooper	Snr Admin Assist	225	3.9	877.50	-	-	-	-	-	-	-	-	-	-	-	-	-	3.9	877.50
Taylia Bird	Snr Admin Assist	225	2.4	540.00	-	-	-	-	-	-	-	-	-	-	-	-	-	2.4	540.00
Tahlana Stasenes	Jnr Admin Assist	180	1.8	324.00	-	-	-	-	-	-	-	-	-	-	-	-	-	1.8	324.00
Olivia Panetta	Jnr Admin Assist	180	0.4	72.00	-	-	-	-	-	-	-	-	-	-	-	-	-	0.4	72.00
Total Remuneration (\$ Ex GST)				222,866.00		28,474.50		75,849.00		5,525.00		7,024.50		56,159.00				49,834.00	
Total Remuneration (Hours)				480.5		52.4		179.5		11.6		14.5		120.2				102.3	
Average hourly rate for Period (\$ Ex GST)				463.82		543.41		422.56		476.3		484.4		467.2				467.1	

Summary of Remuneration Approval Sought
For the Period 26 April 2017 to 22 May 2017

	Amount (\$)
Remuneration for Period (Ex GST)	222,866.00
Less:	
Amount Previously Approved	-
Amount Previously Written Off	-
Remuneration Amount to be Approved	222,866.00
GST	22,286.60
Total Remuneration (Inc GST)	245,152.60

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
("THE COMPANY")**

**JIRSCH SUTHERLAND
APPOINTEES: SULE ARNAUTOVIC AND TRENT ANDREW DEVINE**

Major Tasks	Amount (\$ Ex. GST)	General Description	Specific Tasks
Assets (52.4 hours)	\$28,474.50	Plant and Equipment	<ul style="list-style-type: none"> - Liaising with Hymans (an independent Valuer) to organise valuation of the plant and equipment - Reviewing asset listings - Obtain Depreciation Register - Negotiate access to the relevant sites to inspect the plant and equipment - Obtain searches on the vehicles - Discussing and corresponding with directors/management with respect to plant and equipment items - Comparing Company asset register to valuation report - Liaising with management regarding Company plant and equipment required for ongoing operations
		Real Property	<ul style="list-style-type: none"> - Undertake title searches on properties held in the name of the Company - Extract transfer documents in relation to the purchase of the property - Extract and review documents in relation to caveats lodged pre-appointment - Extract and review documents in relation to NAB mortgages - Liaise with Ray White Roma in relation properties currently listed and seek updated market appraisals
		Assets subject to specific charges	<ul style="list-style-type: none"> - Extraction of relevant documents uploaded to Personal Property Securities Register - Review agreements with Rentmax / Capital finance in relation to the lease of plant and equipment - Assess equity in plant and equipment - Issue notices to financiers of Administrators intention not to exercise property rights in relation to leased plant and equipment - Arranging collection of the leased/hired equipment
		Debtors	<ul style="list-style-type: none"> - Reviewing and assessing debtors ledger - Reconciling pre and post appointment debtors - Negotiations with debtors, including attempts by debtors to cash bank guarantees without giving proper notice; - Considering requests for leave to be granted by creditors to lodge claims pursuant to section 10 of the Subcontractors Charges Act 1974 against

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

			<p>Company debtors</p> <ul style="list-style-type: none"> - Reviewing 3rd party arrangements entered between the debtors and creditors of the Company - Review accounting of all payments made from debtors to creditors of the Company - Assess collectability of ledger under a DOCA and liquidation scenario - Assess surety bond facilities and bank guarantee facilities held with Asset Insure and NAB respectively - Consider offsetting claims from debtors - Pursue overdue pre-appointment debtors including the preparation of caveats to be lodged on debtor properties - Correspondence with debtors - Dealing with requests from lawyers acting on behalf of debtors of the Company
		Other assets	<ul style="list-style-type: none"> - Liaising with NAB regarding Pre-appointment overdraft account and bank guarantee facilities - Matters with other assets
		Leasing	<ul style="list-style-type: none"> - Obtaining & reviewing leasing documents - Liaising with landlord/lessors - Tasks associated with continuing leases
		Insurance	<ul style="list-style-type: none"> - Notification to Professional Risk Managers ("PRM", insurance broker) of appointment and placement of insurance cover note over assets - Obtaining information on details of current projects on hand and WIP balance - Liaising with the management and PRM confirming Plant and Equipment and Vehicles which require cover - Obtaining & reviewing current insurance policies - Consider D&O's policy and seek advice regarding Liquidators ability to claim against the policy

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

Major Tasks	Estimate Time excl. GST (\$)	General Description	Specific Tasks
Creditors (179.5 hours)	\$75,849.00	Creditor Committee Reports /	<ul style="list-style-type: none"> - Preparing general reports to creditors pursuant to s 436E of the Corporations Act - Preparing Remuneration report for creditors - Preparing a Declaration of Independence, Relevant Relationships and Indemnities for creditors - Preparing an interim report to the committee of creditors - Preparing DOCA vs Liquidation Analysis - Preparing RATA & financial analysis - Preparing investigation report to creditors - Preparing Reports to creditors pursuant to s 439A of the Corporations Act
		Creditor Enquiries	<ul style="list-style-type: none"> - Attend to requests for information from the petitioning creditors lawyers - Attend to various for information requests from creditors and their lawyers including applications for leave to continue with actions against the Company - Liaise with the QBCC regarding actions on foot as at the date of our appointment for various former clients of the Company - Liaise with the QBCC regarding potential exposure for claims under their insurance policy - Receive and follow up creditor enquiries via telephone and e-mail - Review and prepare correspondence to creditors - Ensure the team is briefed to answer questions regarding the ongoing trading of the business and expected DOCA
		Secured Creditor Reporting	<ul style="list-style-type: none"> - Liaising with NAB in relation to their exposure to the Company and the wider group of entities - Liaising with NAB in relation to the valuation of assets subject to their security - Corresponding with secured creditors - Responding to secured creditor's queries
		Retention of Title/ PMSI Claims	<ul style="list-style-type: none"> - Extraction of relevant documents uploaded to Personal Property Securities Register - Review timing of registrations and commencement of supply and/or consideration - Receive initial notifications of creditor's intention to claim - Liaising with creditors to obtain relevant information and documents to support retention of title claim - Correspond with lease companies to collect photocopyers/ forklifts, etc.

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

		Meeting of Creditors	<ul style="list-style-type: none"> - Preparation of meeting notices - Forward notice of meeting to all known creditors - Preparation of meeting package, including attendance/proxy register, list of creditors, report to creditors - Responding to stakeholder queries and questions at the meeting - Preparation of minutes of meeting of creditors
		Dealing with Proofs of Debt	<ul style="list-style-type: none"> - Review of proofs of debt received by creditors, entry of proofs of debt received - Assessing proofs of debt in relation to voting rights at the first meeting - Maintain CORE IPS database - Maintain proofs of debt and proxy register - Correspondence with OSRs and ATO regarding proofs of debt - Comparison of Company records to proofs of debt submitted by the OSR and ATO, consider effect of outstanding returns

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

Major Tasks	Estimate Time excl. GST (\$)	General Description:	Specific Tasks
Employees (11.6 hours)	\$5,525.00	Employees Enquiries	<ul style="list-style-type: none"> - Termination of five (5) employee - Notification to employees of appointment - Receive and follow up employee enquiries via telephone and e-mail - Review and prepare correspondence to employees via telephone, e-mail and post - Preparation of letters to employees advising of their outstanding entitlements as of the date of our appointment/their termination - Advising employees of their entitlements, rights and ability to claim through the Federal Government's Fair Entitlement Guarantee Scheme in the event the Company is wound up
		Calculation of Entitlements	<ul style="list-style-type: none"> - Calculating entitlements of terminated employees including outstanding wages, superannuation, annual and long service leave, redundancy and pay in lieu of notice - Calculating entitlements of continuing employees including outstanding wages, superannuation, annual and long service leave, redundancy and pay in lieu of notice - Reviewing employee files and Company's books and records - Consider claim of related party employees - Reconciling superannuation accounts - Reviewing awards and workplace agreements - Liaising with Solicitors regarding entitlements
Trade On (14.5 hours)	\$7,024.50	Trade on Management	<ul style="list-style-type: none"> - Review and assess work on foot in relation to defect liability period - Consider likely claims of future work required to be completed during the voluntary administration process - Liaise with the QBCC regarding licencing requirements and the Company's ability to continue to trade in a limited capacity including the coordination of trades - Meet with the QBCC to discuss their concerns and ongoing requirements - Consider the Company's available resources and determine staff required to appropriately manage works to be undertaken during the defect liability period - Engage and negotiation with suppliers regarding their ongoing engagement to allow the Company to continue to trade - Liaising with trade critical suppliers in relation to ongoing supply - Liaising with management and staff in relation to the coordination of limited trading - Authorising purchase orders - Maintaining purchase order registry

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

			<ul style="list-style-type: none">- Preparing and authorising payment forms to suppliers- Processing weekly wages for continuing employees- Review of wage / entitlement claims during trade on period- Process payments to superannuation funds
		Receipts and Payments	<ul style="list-style-type: none">- Entering Receipt and Payment forms into CORE IPS
		Budgeting and Financial Reporting	<ul style="list-style-type: none">- Reviewing Company's budgets and financial statements- Preparing budgets for trade on period- Preparing weekly financial reports- Finalising trading profit or loss- Meetings to discuss trading position

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

Major Tasks	Estimate Time excl. GST (\$)	General Description	Specific Tasks
Investigation (120.2 hours)	\$56,159.00	Conducting Investigation	<ul style="list-style-type: none"> - Review of all books and records received - Correspondence to banks, utility providers, and government organisations and reviewing any responses received - Planning investigations - Liaising with director/s regarding history and background of Company and reasons for failure - Review of RATA provided by directors - Conducting statutory searches on directors and all related entities - Consider the deed of cross guarantee entered into between the Company and Onterran - Seek advice in relation to the deed of cross guarantee including creditors right to claim against Onterran in the event the Company is wound up and Onterran's entitlement to offset the claims against any pre-appointment debt - Review Onterran's financial capacity to meet claims under the deed of cross guarantee - Review Onterran's corporate structure and subsidiaries - Liaise with the Chairman and Chief Financial Officer of Onterran to assess the financial position of Onterran and seek their advice in relation to Onterran's ability to meet claims that may be made pursuant to the deed of cross guarantee - Review information provided by Onterran in relation to liabilities of the group and guarantees provided to various subsidiaries which would become payable in the event of Onterran's winding up - Engage Peter Watson of David Hicks and Co to undertake an independent special purpose assignment on the financial capacity of Onterran and its subsidiaries - Consider the deeds of covenant and assurance entered into between the Company and Pivot Way Pty Ltd, Onterran, Wayne Bloomer and Lachlan McIntosh - Assess the mechanics of the deeds of covenant and assurance and the financial capacity of the covenantors to meet a claim if made - Conducting an unclaimed monies search - Conduct Relational Organisation Extract search to determine if Company holds any shareholdings in other entities - Review dealings with all related parties - Review of financial statements, preparation of comparative financial statements for the year ended 30 June 2015 and 30 June 2016

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

			<ul style="list-style-type: none"> - Review of financial statements, preparation of comparative financial statements for the month ended July, August, September, October, November and December 2016 - Review Company's internal MYOB accounting program and compare to finalised management accounts - Review all transactions in MYOB for the period October 2016 – April 2017 - Review all deeds of settlement and release entered into between the Company and debtors prior to our appointment - Consider whether those deeds of settlement and release give rise to an uncommercial transaction - Consider all payments made from debtors (or other 3rd parties) to creditors - Review Company creditor balances on a monthly basis and track creditor movements - Review Company's incoming mail / email register to identify action taken by creditors prior to our appointment and/or creditors who may have had knowledge of insolvency - Calculate payments made to creditors between the date of insolvency and the date of our appointment - Consider defences creditors may have to unfair preference payment claims - Review all security interests registered against the Company in the six (6) months preceding our appointment and compare to commencement of supply and/or consideration - Review of bank statements and other supporting financial information to consider possible preference payments to creditors or other uncommercial payments - Review of factors and information to support the possible insolvency of the Company - Meet with internal management team of the Company to determine timeline of events and solvency issues - Consider impact of October 2016 loss and steps taken by management to identify cost savings - Consider funds advanced to Company by related entities to fund short term cashflow and impact on solvency - Consider Onterran's capital raising exercise in December 2016 and advance to the Company in January 2016 - Review capital raising and funds advanced from Onterran impact on solvency - Consider overall context of the Company's solvency having regard to practical steps taken by director to prevent the Company from incurring further debt - Preparation of investigation program
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**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF APPOINTMENT TO DATE PRIOR TO REMUNERATION REPORT
(26 APRIL 2017 TO 22 MAY 2017)**

Major Tasks	Estimate Time excl. GST (\$)	General Description	Specific Tasks
Administration (102.3 hours)	\$49,834.00	ATO and other statutory reporting	<ul style="list-style-type: none"> - Notification of appointment to the ATO, OSR and other statutory bodies - Assessing outstanding lodgements and unreported liabilities with the ATO and OSE - Lodgement of appointment documents with the Australian Securities and Investment Commission
		Correspondence	<ul style="list-style-type: none"> - Dealing with matters brought about by the QBCC that are not stayed pursuant to section 440D of the Act - Instructing solicitor and swearing affidavit to seek a Court order adjourning the winding up hearing - Instructing solicitors in relation to winding up hearing scheduled for 31 May 2017 - Attend to day to day mail, telephone calls, facsimiles and e-mails - Notification to Sheriff of appointment
		Document / File Maintenance	<ul style="list-style-type: none"> - Filing, photocopying and scanning of documents - File Reviews - Updating checklists
		Bank Account Administration	<ul style="list-style-type: none"> - Preparing correspondence opening post-appointment job accounts - Requesting banks to place "debit freeze" on the Company's pre-appointment bank accounts - Requesting bank statements - Bank account reconciliations - Correspondence with St George bank regarding specific transfers - Preparing Payment and receipt forms - Entering significant volume of wages and sales/debtor receipts
		ASIC Forms and other forms	<ul style="list-style-type: none"> - Preparing and lodging ASIC forms
		Planning / Review	<ul style="list-style-type: none"> - Discussions regarding status of administration

BLOOMER CONSTRUCTIONS (QLD) PTY LTD (ADMINISTRATORS APPOINTED)
ACN 071 344 100

RESOLUTION 2 - ESTIMATE OF REMUNERATION FOR THE PERIOD 23 MAY 2017 TO 1 JUNE 2017

EMPLOYEE	POSITION	RATE		TOTAL	ASSETS		CREDITORS		EMPLOYEES		TRADE ON		INVESTIGATIONS		ADMINISTRATION	
		(\$)	HRS		(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS
Christopher John Baskerville	Partner	615	2.4	1,500.00	0.4	239.39	1.1	659.60	0.2	104.42	0.1	75.13	0.5	300.51	0.2	119.70
Sule Anautovic	Partner	615	8.1	5,000.00	1.3	797.97	3.6	2,198.67	0.6	348.05	0.4	250.43	1.6	1,001.71	0.6	398.99
Trent Andrew Devine	Partner	615	8.1	5,000.00	1.3	797.97	3.6	2,198.67	0.6	348.05	0.4	250.43	1.6	1,001.71	0.6	398.99
Desmond Byron	Manager 2	485	25.8	12,500.00	4.1	2,015.22	11.3	5,510.01	1.8	889.62	1.3	621.80	5.2	2,487.18	2.1	1,007.60
Kathryn Gesilva	Manager 2	485	20.6	10,000.00	3.3	1,595.94	9.1	4,397.33	1.4	696.10	1.0	500.85	4.1	2,003.42	1.6	797.97
Annika Pace	Senior 2	355	14.1	5,000.00	2.2	797.97	6.2	2,198.67	1.0	348.05	0.7	250.43	2.8	1,001.71	1.1	398.99
Vincent Wang	Senior 2	355	14.1	5,000.00	2.2	797.97	6.2	2,198.67	1.0	348.05	0.7	250.43	2.8	1,001.71	1.1	398.99
Emily Guan	Graduate	265	9.4	2,500.00	1.5	398.99	4.1	1,099.33	0.7	174.03	0.5	125.21	1.9	500.85	0.8	199.49
Erinii Efratiou	Graduate	265	5.7	1,500.00	0.9	239.39	2.5	659.60	0.4	104.42	0.3	75.13	1.1	300.51	0.5	119.70
Various Admin/Clerical Staff	Snr Admin Assist	225	6.7	1,500.00	1.1	239.39	2.9	659.60	0.5	104.42	0.3	75.13	1.3	300.51	0.5	119.70
Various Admin/Clerical Staff	Jnr Admin Assist	180	2.8	500.00	0.4	79.80	1.2	219.87	0.2	34.81	0.1	25.04	0.6	100.17	0.2	39.90
Total Remuneration (Ex GST)				50,000.00		8,000.00		22,000.00		3,500.00		2,500.00		10,000.00		4,000.00
Total Remuneration (Hours)				117.5		18.3		51.6		8.2		5.9		23.6		9.4
Average/hourly rate for period (Ex GST)				424.5		425.5		424.7		426.8		423.7		423.7		425.5

Summary of Remuneration Approval Sought
For the Period 23 May 2017 to 1 June 2017

	Amount (\$)
Remuneration for Period (Ex GST)	50,000.00
Less:	
Amount Previously Approved	-
Amount Previously Written Off	-
Remuneration Amount to be Approved	50,000.00
GST	5,000.00
Total Remuneration (Inc GST)	55,000.00

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION DATE OF THE REMUNERATION REPORT TO DATE OF MEETING
(23 MAY 2017 TO 1 JUNE 2017)**

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
("THE COMPANY")**

**JIRSCH SUTHERLAND
APPOINTEES: SULE ARNAUTOVIC AND TRENT ANDREW DEVINE**

Major Tasks	Amount (\$ Ex. GST)	General Description	Specific Tasks
Assets (18.8 hours)	\$8,000.00	Debtors	<ul style="list-style-type: none"> - Continue to liaise with debtors regarding works required subject to defects liability period in order to retain ledger and/or prevent the further presentation of bank guarantees or surety bonds - Monitor payments made from debtors to creditors of the Company post our appointment - Ongoing negotiations and correspondence with debtors regarding payment of outstanding amounts - Continue to deal with requests from lawyers acting on behalf of debtors of the Company
		Assets subject to DOCA proposal	<ul style="list-style-type: none"> - Dealing with assets subject to proposed DOCA - Coordinate the return of lease assets to relevant financiers
		Insurance	<ul style="list-style-type: none"> - Deal with ongoing insurance requirements including assets subject to NAB security - Liaise with PRM regarding outstanding insurance issues - Cancel policies superfluous to business operations
Creditors (51.8 hours)	\$22,000.00	Creditor Enquiries	<ul style="list-style-type: none"> - Receive and follow up creditor enquiries via telephone and e-mail - Review and prepare correspondence to creditors - Answer questions in relation to completion of proxies and claim forms
		Committee Reports	<ul style="list-style-type: none"> - Preparing a report to the committee of creditors post the 439a report to creditors - Seek input from the committee of creditors after reviewing the 439a report
		Meeting of Creditors	<ul style="list-style-type: none"> - Preparation of meeting notices - Forward notice of meeting to all known creditors - Preparation of meeting package, including attendance/proxy register, list of creditors, report of creditors and draft minutes of meeting - Responding to stakeholder queries and questions regarding the meeting - Arrange teleconference and videoconference facilities for the meeting
		Dealing with Proofs of Debt	<ul style="list-style-type: none"> - Review of proofs of debt received by creditors, entry of proofs of debt received - Maintain CORE IPS database - Correspondence with OSR and ATO regarding proofs of debt

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION DATE OF THE REMUNERATION REPORT TO DATE OF MEETING
(23 MAY 2017 TO 1 JUNE 2017)**

Major Tasks	Estimate Time excl. GST (\$)	General Description:	- Specific Tasks
Employees (8.2 hours)	\$3,500.00	Employees Enquiry	<ul style="list-style-type: none"> - Receive and follow up employee enquiries via telephone and e-mail - Review and prepare correspondence to employees via e-mail and telephone
Trade On (5.9 hours)	\$2,500.00	Trade on Management	<ul style="list-style-type: none"> - Preparing and authorising payment forms - Processing weekly wages - Review of wage / entitlement claims during trade on - Finalising and compiling BAS lodgements - Finalising and compiling payroll tax returns
		Receipts and Payments	<ul style="list-style-type: none"> - Entering Receipt and Payment forms into CORE IPS
		Budgeting and Financial Reporting	<ul style="list-style-type: none"> - Reviewing Company's budgets and financial statements - Preparing budgets for trade on period - Preparing weekly financial reports - Finalising trading profit or loss - Meetings to discuss trading position
Investigation (23.6 hours)	\$10,000.00	Conducting Investigation	<ul style="list-style-type: none"> - Review final report from Peter Watson of David Hicks & Co in relation to Onterran's capacity to meet claims subject to deed of cross guarantee - Determine if the content of Mr Watson's final report has any material bearing on the Administrators recommendation to creditors - Assess content of report and annex to affidavit to be submitted to the Court for the winding up application scheduled for 31 May 2017 - Assess all other matters of relevance post the issue of the Administrators 439a report to creditors - Consider queries and issues raised by creditors post the issue of our 439a report to creditors and prepared a position to be presented to creditors at the meeting
		ASIC Reporting	<ul style="list-style-type: none"> - Preparation of statutory investigation reports pursuant to s 438D of the Corporations Act
Administration (9.4 hours)	\$4,000.00	Correspondence	<ul style="list-style-type: none"> - Attend to day to day mail, telephone calls, facsimiles and e-mails - Prepare material relevant to winding up application set down for 31 May 2017
		Document Maintenance/ File Maintenance	<ul style="list-style-type: none"> - Filing, photocopying and scanning of documents - File Reviews - Updating checklists - Redirect mail if applicable
		Bank Account Administration	<ul style="list-style-type: none"> - Bank account reconciliations - Correspondence with bank regarding specific transfers - Payment and receipt forms
		Planning / Review	<ul style="list-style-type: none"> - Discussions regarding status of administration

BLOOMER CONSTRUCTIONS (QLD) PTY LTD (ADMINISTRATORS APPOINTED)
ACN 071 344 100

RESOLUTION 3 - ESTIMATE OF REMUNERATION FOR THE PERIOD 1 JUNE 2017 TO EXECUTION OF DOCA

EMPLOYEE	POSITION	RATE		TOTAL		ASSETS		CREDITORS		EMPLOYEES		TRADE ON		ADMINISTRATION	
		(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS
Christopher John Baskerville	Partner	615	2.4	1,500.00	0.7	404.81	0.9	525.12	0.2	135.35	0.4	225.59	0.3	210.55	
Sule Armutovic	Partner	615	8.1	5,000.00	2.2	1,349.36	2.8	1,750.41	0.7	451.18	1.2	751.97	1.1	701.83	
Trent Andrew Devine	Partner	615	8.1	5,000.00	2.2	1,349.36	2.8	1,750.41	0.7	451.18	1.2	751.97	1.1	701.83	
Desmond Byron	Manager 2	485	22.7	11,000.00	6.1	2,974.99	7.9	3,846.82	2.0	980.80	3.4	1,634.67	3.2	1,525.70	
Kathryn Gesilva	Manager 2	485	18.6	9,000.00	5.0	2,428.85	6.5	3,150.74	1.7	812.12	2.8	1,353.54	2.6	1,263.30	
Annika Pace	Senior 2	355	21.1	7,500.00	5.7	2,024.04	7.4	2,625.61	1.9	676.77	3.2	1,127.95	3.0	1,052.75	
Vincent Wang	Senior 2	355	14.1	5,000.00	3.8	1,349.36	4.9	1,750.41	1.3	451.18	2.1	751.97	2.0	701.83	
Emily Guan	Graduate	265	9.4	2,500.00	2.5	674.68	3.3	875.20	0.9	225.59	1.4	375.98	1.3	350.92	
Erinif Efratou	Graduate	265	5.7	1,500.00	1.5	404.81	2.0	525.12	0.5	135.35	0.9	225.59	0.8	210.55	
Various Admin/Clerical Staff	Snr Admin Assist	225	6.7	1,500.00	1.8	404.81	2.3	525.12	0.6	135.35	1.0	225.59	0.9	210.55	
Various Admin/Clerical Staff	Jnr Admin Assist	180	2.8	500.00	0.7	134.94	1.0	175.04	0.3	45.12	0.4	75.20	0.4	70.18	
Total Remuneration (Ex GST)				50,000.00		13,500.00		17,500.00		4,500.00		7,500.00		7,000.00	
Total Remuneration (Hours)				119.7		32.3		41.9		10.8		13.0		16.8	
Average hourly rate for period (Ex GST)				417.8		418.0		417.2		416.7		416.9		416.7	

Summary of Remuneration Approval Sought For the Period 1 June 2017 to Execution of DOCA		Amount (\$)
Remuneration for Period (Ex GST)		50,000.00
Less:		
Amount Previously Approved		-
Amount Previously Written Off		-
Remuneration Amount to be Approved		50,000.00
GST		5,000.00
Total Remuneration (Inc GST)		55,000.00

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF MEETING TO EXECUTION OF DOCA
(POST 1 JUNE 2017)**

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
("THE COMPANY")**

**JIRSCH SUTHERLAND
APPOINTEES: SULE ARNAUTOVIC AND TRENT ANDREW DEVINE**

Major Tasks	Amount (\$ Ex. GST)	General Description	Specific Tasks
Assets (32.3 hours)	\$13,500.00	Debtors	<ul style="list-style-type: none"> - Continue to liaise with debtors regarding works required subject to defects liability period in order to retain ledger and/or prevent the further presentation of bank guarantees or surety bonds - Monitor payments made from debtors to creditors of the Company post our appointment - Ongoing negotiations and correspondence with debtors regarding payment of outstanding amounts - Continue to deal with requests from lawyers
		Other Assets	<ul style="list-style-type: none"> - All tasks associated with realising the Deed Fund
Creditors (41.9 hours)	\$17,500.00	Creditor Enquiries	<ul style="list-style-type: none"> - Receive and follow up creditor enquiries via telephone and e-mail - Review and prepare correspondence to creditors
		Dealing with Proofs of Debt	<ul style="list-style-type: none"> - Review of proofs of debt received by creditors, entry of proofs of debt received - Maintain CORE IPS database - Correspondence with OSR and ATO regarding proofs of debt - Adjudication and review of claims from creditors
Employees (10.8 hours)	\$4,500.00	Employees Enquiry	<ul style="list-style-type: none"> - Notification to employees of appointment - Receive and follow up employee enquiries via telephone and e-mail - Review and prepare correspondence to employees via e-mail and post - Preparation of letters to employees advising of their entitlements and options available
Trade On (18.0 hours)	\$7,500.00	Trade on Management	<ul style="list-style-type: none"> - Liaising with suppliers - Liaising with management and staff - Attendance at site, if needed - Authorising purchase orders - Maintaining purchase order registry - Preparing and authorising payment forms - Reviewing and processing weekly employee payments - Liaising with superannuation funds regarding post appointment superannuation - Review of wage / entitlement claims during trade on
		Receipts and Payments	<ul style="list-style-type: none"> - Entering Receipt and Payment forms into CORE IPS

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FROM DATE OF MEETING TO EXECUTION OF DOCA
(POST 1 JUNE 2017)**

Major Tasks	Estimate Time excl. GST (\$)	General Description:	- Specific Tasks
Administration (16.8 hours)	\$7,000.00	Correspondence	- Attend to day to day mail, telephone calls, facsimiles and e-mails
		Document Maintenance/ File Maintenance	- Filing, photocopying and scanning of documents - File Reviews - Updating checklists
		Bank Account Administration	- Preparing correspondence opening and closing accounts - Requesting bank statements - Bank account reconciliations - Correspondence with bank regarding specific transfers - Payment and receipt forms
		ASIC Forms and other forms	- Preparing and lodging ASIC forms - Correspondence with ASIC regarding statutory forms

BLOOMER CONSTRUCTIONS (QLD) PTY LTD (ADMINISTRATORS APPOINTED)
ACN 071 344 100

RESOLUTION 4 - ESTIMATE OF REMUNERATION FOR THE DOCA PERIOD

TASK AREA																		
EMPLOYEE	POSITION	RATE (\$)	TOTAL		ASSETS		CREDITORS		EMPLOYEES		DIVIDEND		ADMINISTRATION					
			HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)				
Christopher John Baskerville	Partner	615	12.2	7,500.00	3.7	2,250.41	4.9	3,000.11	0.6	375.50	2.4	1,499.41	0.6	375.50				
Sule Arnautovic	Partner	615	40.7	25,000.00	12.2	7,501.36	16.3	10,000.38	2.0	1,251.67	8.1	4,998.03	2.0	1,251.67				
Trent Andrew Devine	Partner	615	40.7	25,000.00	12.2	7,501.36	16.3	10,000.38	2.0	1,251.67	8.1	4,998.03	2.0	1,251.67				
Otim Oluk	Senior Manager	530	84.9	45,000.00	25.5	13,488.84	34.0	17,996.92	4.3	2,236.34	17.0	9,016.15	4.3	2,236.34				
Desmond Byron	Manager 2	485	72.2	35,000.00	21.7	10,501.91	28.9	14,000.53	3.6	1,752.33	14.4	6,997.24	3.6	1,752.33				
Kathryn Gesilva	Manager 2	485	72.2	35,000.00	21.7	10,501.91	28.9	14,000.53	3.6	1,752.33	14.4	6,997.24	3.6	1,752.33				
Annika Pace	Senior 2	355	98.6	35,000.00	29.6	10,501.91	39.4	14,000.53	4.9	1,752.33	19.7	6,997.24	4.9	1,752.33				
Vincent Wang	Senior 2	355	35.2	12,500.00	10.6	3,750.68	14.1	5,000.19	1.8	625.83	7.0	2,499.01	1.8	625.83				
Emily Guan	Graduate	265	47.2	12,500.00	14.2	3,750.68	18.9	5,000.19	2.4	625.83	9.4	2,499.01	2.4	625.83				
Erinii Efstratiou	Graduate	265	28.3	7,500.00	8.5	2,250.41	11.3	3,000.11	1.4	375.50	5.7	1,499.41	1.4	375.50				
Various Admin/Clerical Staff	Snr Admin Assist	225	33.3	7,500.00	10.0	2,250.41	13.3	3,000.11	1.7	375.50	6.7	1,499.41	1.7	375.50				
Various Admin/Clerical Staff	Jnr Admin Assist	180	13.9	2,500.00	4.2	750.14	5.6	1,000.04	0.7	125.17	2.8	499.80	0.7	125.17				
Total Remuneration (\$ Ex GST)				250,000.00		75,000.00		100,000.00		12,500.00		50,000.00		12,500.00				
Total Remuneration (Hours)				579.2		173.8		231.7		29.0		115.8		29.0				
Average hourly rate for Period (\$ Ex GST)				431.6		431.5		431.6		431.6		431.6		431.6				

Summary of Remuneration Approval Sought For the DOCA Period		Amount (\$)
Remuneration for Period (Ex GST)		250,000.00
Less:		
Amount Previously Approved		-
Amount Previously Written Off		-
Remuneration Amount to be Approved		250,000.00
GST		25,000.00
Total Remuneration (Inc GST)		275,000.00

SCHEDULE "8"**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR DOCA PERIOD**

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
("THE COMPANY")**

JIRSCH SUTHERLAND

APPOINTEES: SULE ARNAUTOVIC AND TRENT ANDREW DEVINE

Major Tasks	Amount (\$ Ex. GST)	General Description	Specific Tasks
Assets (173.8 hours)	\$75,000.00	Assets subject to specific charges	<ul style="list-style-type: none"> - Deal with queries from PPSR creditors regarding lease obligations during the trading of the business in Administration.
		Debtors	<ul style="list-style-type: none"> - Continue to liaise with debtors regarding works required subject to defects liability period in order to retain ledger and/or prevent the further presentation of bank guarantees or surety bonds - Monitor payments made from debtors to creditors of the Company post our appointment - Ongoing negotiations and correspondence with debtors regarding payment of outstanding amounts - Continue to deal with requests from lawyers - Monitor debtor collections pursuant to the terms of the DOCA
		Monitoring the DOCA	<ul style="list-style-type: none"> - Monitoring ongoing Compliance with the terms of the DCOA - Meeting/correspondence/discussion regarding ongoing Deed obligations and compliance - Other matters associated with the Deed
		Leasing	<ul style="list-style-type: none"> - Reviewing leasing documents - Liaising with owners/lessors - Settling lease obligations and liaising with lessors regarding trading in the Administration.
		Insurance	<ul style="list-style-type: none"> - Finalising the insurance requirements from the Voluntary Administration period.
Creditors (231.7 hours)	\$100,000.00	Creditor Enquiries	<ul style="list-style-type: none"> - Notice to Creditors of execution of DOCA, - Receive and follow up creditor enquiries via telephone and e-mail - Review and prepare correspondence to creditors
		Dealing with Proofs of Debt	<ul style="list-style-type: none"> - Review of proofs of debt received by creditors, entry of proofs of debt received - Maintain CORE IPS database - Correspondence with OSR and ATO regarding proofs of debt

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR DOCA PERIOD**

Employees (29.0 hours)	\$12,500.00	Employees Enquiry	<ul style="list-style-type: none">- Notification to employees of appointment- Receive and follow up employee enquiries via telephone and e-mail- Review and prepare correspondence to employees via e-mail and post
		Employee Dividend	<ul style="list-style-type: none">- Issue notices and advertisements in relation to the payment of priority employee claims include superannuation, wages, leave, redundancy and payment in lieu of notice- Calculate PAYG to be withheld from dividend distributions- Pay dividend and issue cheques

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR DOCA PERIOD**

Major Tasks	Estimate Time excl. GST (\$)	General Description	- Specific Tasks
Dividend (115.8 hours)	\$50,000.00	Processing proofs of debt	- All tasks associated with the inviting PODs, receipting PODs, adjudicating, requesting further information and preparing correspondence regarding the outcome of creditors' claims.
		Dividend Procedures	- Preparing correspondence to creditors advising of intention to declared dividend - Advertising intention to declare dividend - Obtain clearance from the ATO to allow distribution of the Company's assets - Preparation of dividend calculation - Preparation of correspondence to creditors announcing declaration of dividend - Prepare distribution - Prepare dividend file - Prepare payment vouchers - Prepare correspondence to creditors enclosing payment of dividend
Administration (29.0 hours)	\$12,500.00	ATO and other statutory reporting	- Notification of appointment - Preparation and lodgement of Business Activity Statements with ATO
		Correspondence	- Attend to day to day mail, telephone calls, facsimiles and e-mails
		Document Maintenance/ File Maintenance	- Filing, photocopying and scanning of documents - File Reviews - Updating checklists
		Bank Account Administration	- Preparing correspondence opening and closing accounts - Bank account reconciliations - Correspondence with bank regarding specific transfers - Payment and receipt forms
		ASIC Forms and other forms	- Preparing and lodging ASIC forms - Correspondence with ASIC regarding statutory forms
		Planning / Review	- Discussions regarding status of administration

BLOOMER CONSTRUCTIONS (QLD) PTY LTD (ADMINISTRATORS APPOINTED)
ACN 071 344 100

RESOLUTION 5 - ESTIMATE OF REMUNERATION FOR THE LIQUIDATION PERIOD COMMENCING 1 JUNE 2017

EMPLOYEE	POSITION	RATE (\$)	TOTAL		ASSETS		CREDITORS		EMPLOYEES		INVESTIGATIONS		DIVIDEND		ADMINISTRATION	
			HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)	HRS	(\$)
Christopher John Baskerville	Partner	615	43.0	26,470.59	9.9	6,088.94	12.5	7,676.67	1.3	794.59	14.2	8,734.67	2.6	1,587.73	2.6	1,587.73
Sule Arnautovic	Partner	615	71.7	44,117.65	16.5	10,148.24	20.8	12,794.45	2.2	1,324.31	23.7	14,557.79	4.3	2,646.21	4.3	2,646.21
Trent Andrew Devline	Partner	615	71.7	44,117.65	16.5	10,148.24	20.8	12,794.45	2.2	1,324.31	23.7	14,557.79	4.3	2,646.21	4.3	2,646.21
Otim Oluk	Senior Manager	530	166.5	88,235.29	38.3	20,276.46	48.3	25,583.28	5.0	2,635.31	54.9	29,133.21	10.0	5,306.81	10.0	5,306.81
Desmond Byron	Manager 2	485	272.9	132,352.94	62.8	30,444.71	79.1	38,383.34	8.2	3,972.94	90.0	43,673.36	16.4	7,938.64	16.4	7,938.64
Kathryn Gesilva	Manager 2	485	272.9	132,352.94	62.8	30,444.71	79.1	38,383.34	8.2	3,972.94	90.0	43,673.36	16.4	7,938.64	16.4	7,938.64
Annika Pace	Senior 2	355	372.8	132,352.94	85.8	30,444.71	108.1	38,383.34	11.2	3,972.94	123.0	43,673.36	22.4	7,938.64	22.4	7,938.64
Vincent Wang	Senior 2	355	124.3	44,117.65	28.6	10,148.24	36.0	12,794.45	3.7	1,324.31	41.0	14,557.79	7.5	2,646.21	7.5	2,646.21
Emily Guan	Graduate	265	166.5	44,117.65	38.3	10,148.24	48.3	12,794.45	5.0	1,324.31	54.9	14,557.79	10.0	2,646.21	10.0	2,646.21
Erinli Efstratiou	Graduate	265	99.9	26,470.59	23.0	6,088.94	29.0	7,676.67	3.0	794.59	33.0	8,734.67	6.0	1,587.73	6.0	1,587.73
Various Admin/Clerical Staff	Snr Admin Assist	225	117.6	26,470.59	27.1	6,088.94	34.1	7,676.67	3.5	794.59	38.8	8,734.67	7.1	1,587.73	7.1	1,587.73
Various Admin/Clerical Staff	Jnr Admin Assist	180	49.0	8,823.53	11.3	2,029.65	14.2	2,558.89	1.5	264.86	16.2	2,911.56	2.9	529.24	2.9	529.24
Total Remuneration (\$ Ex GST)				750,000.00		172,500.00		217,500.00		22,500.00		247,500.00		45,000.00		45,000.00
Total Remuneration (Hours)				1,828.9		420.7		530.4		54.9		603.5		109.7		109.7
Average hourly rate for Period (\$ Ex GST)				410.1		410.1		410.1		410.1		410.1		410.2		410.2

Summary of Remuneration Approval Sought For the Liquidation Period commencing 1 June 2017		Amount (\$)
Remuneration for Period (Ex GST)		750,000.00
Less:		
Amount Previously Approved		-
Amount Previously Written Off		-
Remuneration Amount to be Approved		750,000.00
GST		75,000.00
Total Remuneration (Inc GST)		825,000.00

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR THE LIQUIDATION OF THE COMPANY**

**RE: BLOOMER CONSTRUCTIONS (QLD) PTY LTD
(ADMINISTRATORS APPOINTED)
A.B.N.: 97 071 344 100
("THE COMPANY")**

**JIRSCH SUTHERLAND
APPOINTEES: SULE ARNAUTOVIC AND TRENT ANDREW DEVINE**

Major Tasks	Amount (\$ Ex. GST)	General Description	Specific Tasks
Assets (420.7 hours)	\$172,500.00	Plant and Equipment	<ul style="list-style-type: none"> - Liaising with valuers/auctioneers and interested parties - Reviewing asset listings - Discussing and corresponding with directors/management re plant and equipment items - Assess realisation options for plant and equipment items (if any)
		Assets subject to specific charges	<ul style="list-style-type: none"> - Liaise with NAB regarding the realisation of Company assets - Liaise with related entities regarding the realisation of asset subject to NAB security to cover any shortfall
		Debtors	<ul style="list-style-type: none"> - Continue to liaise with debtors regarding works required subject to defects liability period in order to retain ledger and/or prevent the further presentation of bank guarantees or surety bonds - Monitor payments made from debtors to creditors of the Company post our appointment - Ongoing negotiations and correspondence with debtors regarding payment of outstanding amounts - Continue to deal with requests from lawyers acting on behalf of debtors of the Company - Review claims from debtors in relation to non-payment of amounts due and commence recovery proceedings where necessary - Engage lawyers and experts to recover amounts due to the Company
		Other Assets	<ul style="list-style-type: none"> - All tasks associated with realising other assets
		Leasing	<ul style="list-style-type: none"> - Liaising with owners/lessors - Tasks associated with disclaiming/continuing leases
		Insurance	<ul style="list-style-type: none"> - Correspondence with previous insurance brokers (if any)

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR THE LIQUIDATION OF THE COMPANY**

Major Tasks	Estimate Time excl. GST (\$)	General Description	- Specific Tasks
Creditors (530.4 hours)	\$217,500.00	Creditor Enquiries	<ul style="list-style-type: none"> - Receive and follow up creditor enquiries via telephone and e-mail - Review and prepare correspondence to creditors - Prepare specific correspondence to creditors and their solicitors in relation to their queries and requests for information
		Secured Creditor Reporting	<ul style="list-style-type: none"> - Corresponding with NAB and other secured creditors - Responding to secured creditor's queries
		Meeting of Creditors	<ul style="list-style-type: none"> - Convening meeting of creditors as required and/or requested - Convening annual meetings of creditors as required - Preparation of minutes of meeting - Responding to stakeholder queries and questions immediately following meeting
		Dealing with Proofs of Debt	<ul style="list-style-type: none"> - Review of proofs of debt received by creditors, entry of proofs of debt received - Maintain CORE IPS database - Correspondence with OSR and ATO regarding proofs of debt

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR THE LIQUIDATION OF THE COMPANY**

Major Tasks	Estimate Time excl. GST (\$)	General Description:	- Specific Tasks
Employees (54.9 hours)	\$22,500.00	Employees Enquiry	<ul style="list-style-type: none"> - Notification to employees of appointment - Receive and follow up employee enquiries via telephone and e-mail - Review and prepare correspondence to employees via e-mail and post - Preparation of letters to employees advising of their entitlements and options available - Engage FEG in respect of employee claims - Review claims received from employees and assess against company records and the relevant awards
		Calculation of Entitlements	<ul style="list-style-type: none"> - Calculating employee entitlements - Reviewing employee files and Company's books and records - Reconciling superannuation accounts - Reviewing awards and workplace agreements - Liaising with Solicitors regarding entitlements
		Employee Dividend	<ul style="list-style-type: none"> - Correspondence with employees regarding dividend - Correspondence with ATO regarding SGC proof of debt - Calculating dividend rate - Preparing dividend file - Placement of dividend notice online and via post - Preparing distribution - Receipting PODs - Adjudication of PODs - Ensuring PAYG is remitted to ATO
		FEG	<ul style="list-style-type: none"> - Liaising with FEG regarding claims process - Assisting FEG with employee communication - Preparation of entitlements verification schedule - Review of discrepancies

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR THE LIQUIDATION OF THE COMPANY**

Major Tasks	Estimate Time excl. GST (\$)	General Description	Specific Tasks
Investigation (603.5 hours)	\$247,500.00	Conducting Investigation	<ul style="list-style-type: none"> - Review of all books and records received - Correspondence to banks, utility providers, and government organisations and reviewing any responses received - Liaising with director/s regarding history and background of Company and reasons for failure - Review of RATA provided by director/s - Review correspondence to/from creditors and other third parties - Conduct Relational Organisation Extract search to determine if Company holds any shareholdings in other entities - Review of financial statements, preparation of comparative financial statements - Review of bank statements and other supporting financial information to consider possible preference payments to creditors or other uncommercial payments - Review of factors and information to support the possible insolvency of the Company - Preparation of investigation program - Preparation and lodgement of report to ASIC pursuant to Section 533 of the Act - Preparation and lodgement of supplementary report if required to ASIC
		Litigation Recoveries /	<ul style="list-style-type: none"> - Internal meetings to discuss status of litigation - Preparing brief to Solicitors - Liaising with Solicitors regarding recovery action - Attending to negotiations - Attending to settlement matters
		ASIC Reporting	<ul style="list-style-type: none"> - Preparation of statutory investigation reports - Liaising with ASIC if required

**SUMMARY OF WORK FOR THE VOLUNTARY ADMINISTRATION
REMUNERATION FOR THE LIQUIDATION OF THE COMPANY**

Major Tasks	Estimate Time excl. GST (\$)	General Description	Specific Tasks
Dividend (109.7 hours)	\$45,000.00	Processing proofs of debt	<ul style="list-style-type: none"> - All tasks associated with the inviting PODs, receipting PODs, adjudicating, requesting further information and preparing correspondence regarding the outcome of creditors' claims.
		Dividend Procedures	<ul style="list-style-type: none"> - Preparing correspondence to creditors advising of intention to declared dividend - Advertising intention to declare dividend - Obtain clearance from the ATO to allow distribution of the Company's assets - Preparation of dividend calculation - Preparation of correspondence to creditors announcing declaration of dividend - Prepare distribution - Prepare dividend file - Prepare payment vouchers - Prepare correspondence to creditors enclosing payment of dividend
Administration (109.7 hours)	\$45,000.00	ATO and other statutory reporting	<ul style="list-style-type: none"> - Notification of appointment - Preparation and lodgement of Business Activity Statements with ATO - Completing PAYG Certificates for former staff for the period of appointment
		Correspondence	<ul style="list-style-type: none"> - Attend to day to day mail, telephone calls, facsimiles and e-mails - Notification to Sheriff of appointment
		Document Maintenance/ File Maintenance	<ul style="list-style-type: none"> - Filing, photocopying and scanning of documents - File Reviews - Updating checklists
		Bank Account Administration	<ul style="list-style-type: none"> - Preparing correspondence opening and closing accounts - Requesting bank statements - Bank account reconciliations - Correspondence with bank regarding specific transfers - Payment and receipt forms
		ASIC Forms and other forms	<ul style="list-style-type: none"> - Preparing and lodging ASIC forms - Correspondence with ASIC regarding statutory forms
		Planning Review /	<ul style="list-style-type: none"> - Discussions regarding status of administration
		Books records and storage /	<ul style="list-style-type: none"> - Dealing with records in storage - Sending job files to storage