



SHERIDANS
CHARTERED ACCOUNTANTS

SAFESTONE PTY LTD

(In Liquidation)
ACN 604 039 787

Report to Creditors

5 April 2018

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Annexures

- A Notice of Meeting of Creditors
- B Remuneration Report

Enclosures

- (i) Proof of Debt or Claim form
- (ii) Appointment of Proxy form

1. Introduction

- 1.1 I refer to my Circular to Creditors dated 21 July 2017 and to my Report to Creditors dated 2 October 2017.
- 1.2 As you are aware, I was appointed Liquidator of Safestone Pty Ltd (“the company”) on 12 July 2017.
- 1.3 The purpose of this report is to provide creditors with an update on the progress of the liquidation and to call a meeting of creditors of the company to seek further approval of the Liquidator’s remuneration.

2. Independence

- 2.1 Please refer to my Circular to Creditors dated 21 July 2017 for information concerning my independence in this matter. There have been no changes to my independence.

3. Receipts and payments

- 3.1 The following is a summary of receipts and payments in the liquidation to date:

	Amount \$
Receipts	
Cash at bank on appointment	37,242
Sale of plant and equipment	1,850
Pre-appointment debts	26,059
	65,151
Payments	
Bank charges	54
Liquidator’s fees	25,000
Disbursements:	
Advertisements	76
Facsimiles	39
Postage	81
Printing and photocopying	82
Searches	94
Stationery	6
Storage	2
Telephone	38
GST (Net)	2
	25,474
Cash at bank as at 5 April 2018	39,677

4. Assets

- 4.1 The company’s directors gave an estimate in their Report as to Affairs (“RATA”) of potential realisations. Set out below is a comparison of this estimate with the Liquidator’s estimate and actual realisations to date.

	Ref	RATA estimate \$	Liquidator’s estimate \$	Liquidator’s realisations to date \$
Cash at bank	3.2	22,308	37,242	37,242
Pre-appointment debts	3.3	25,000	51,542	26,059
Plant and equipment	3.4	3,000	1,850	1,850
		50,308	90,634	65,151

4. Assets (cont.)

4.2 *Cash at bank*

4.2.1 Please refer to my Report to Creditors dated 2 October 2017 for further information concerning the company's cash at bank.

4.3 *Pre-appointment debts*

4.3.1 The company's records indicated that the company had an accounts receivable balance as at the date of liquidation of \$157,289.

4.3.2 On review of the accounts receivable balance and following discussions with the company's debtors, I have determined that the majority of outstanding debts have either been paid or partly paid by debtors prior to my appointment.

4.3.3 I am still in negotiations with a number of pre-appointment debtors in respect of the amounts owed to the company at the date of liquidation. I estimate that the total realisable value of pre-appointment debts is \$51,542, \$23,559 of which has already been realised.

4.4 *Plant and equipment*

4.4.1 Please refer to my Report to Creditors dated 2 October 2017 for further information concerning the company's plant and equipment.

5. Priority creditors

5.1 Set out below is the directors' estimate of the company's priority creditors compared to my estimate:

	RATA estimate \$	Liquidator's current estimate \$
Annual leave	6,000	21,193
Superannuation	5,000	18,168
	11,000	39,361

5.2 The company's annual leave liability is in respect of amounts owed to the directors. As excluded employees, the directors' priority for annual leave is capped at \$1,500 each pursuant to Section 556(1B) of the Corporations Act 2001 ("the Act").

5.3 The company's superannuation liability includes amounts owed to the directors. As excluded employees, the directors' priority for superannuation is capped at \$2,000 pursuant to Section 556(1A) of the Act.

5.4 If you were an employee of the company at the date that I was appointed, or you have previously been employed by the company, you may be a creditor of the company for any or all of the following debts: outstanding wages, annual leave, long service leave, pay in lieu of notice, redundancy and/or superannuation.

5. Priority creditors (cont.)

- 5.5 If you are owed accrued entitlements, you may be eligible for assistance under the Federal Government's Fair Entitlements Guarantee Act 2012 ("FEG"). For further information regarding FEG, please call the FEG hotline: 1300 135 040 or go to the website: www.employment.gov.au/fair-entitlements-guarantee-feg. **Former employees have only 12 months to lodge a FEG claim and FEG has no discretion to extend this time.**
- 5.6 Please find enclosed a Proof of Debt or Claim form to enable priority creditors to lodge their claim against the company. Note that any FEG claim must be lodged separately with FEG.

6. Unsecured creditors

- 6.1 According to the directors' RATA, the company had two unsecured creditors, whose claims totalled \$269,857.
- 6.2 To date, I have received one Proof of Debt from the Australian Taxation Office in the sum of \$309,499.
- 6.3 Please find enclosed a Proof of Debt or Claim form to enable unsecured creditors to lodge their claim against the company.

7. Dividend

- 7.1 The likelihood of a dividend being paid to creditors will be affected by a number of factors including:
- (i) The size and complexity of the administration.
 - (ii) The amount of assets realisable and the costs of realising those assets.
 - (iii) The statutory priority of certain claims and costs.
 - (iv) The value of various classes of claims including secured, priority and unsecured creditor claims.
 - (v) The volume of enquiries by creditors and other stakeholders.
- 7.2 At this stage, I consider it likely that a dividend will be paid to priority and unsecured creditors of the company.
- 7.3 I note that the likelihood of a dividend is heavily dependent on the quantum of outstanding pre-appointment debts realised (Section 4.3) and the outcome of my investigation into whether any creditors have received an unfair preference (Section 8.3).
- 7.4 If a dividend is payable, creditors will be contacted prior to the date of payment of the dividend and will be asked to lodge a Proof of Debt. This will formalise creditors' claims against the company.

8. Investigations

8.1 *Failure of the company*

8.1.1 From my investigations, I have determined that the failure of the company was caused by insufficient cash flow due to inadequate revenue to meet expenses, poor strategic management of the business and a failure to provide for taxation liabilities.

8.2 *Insolvent trading*

8.2.1 In the event that a company continues to trade while it is insolvent, a director may become personally liable for debts incurred by the company and which remain outstanding as at the date of liquidation.

8.2.2 I have concluded that the company traded while insolvent from 30 June 2016 and that the directors are therefore liable for insolvent trading. However, I do not consider that the directors have the financial capacity to repay an insolvent trading claim. In due course, I will request supporting documentation from the directors to confirm their financial position.

8.3 *Preferences*

8.3.1 There is the potential for a Liquidator to recover payments to creditors that have been preferred over other creditors of the company within six months of the company's being placed into external administration. That is, if a creditor receives payment in preference to other creditors, the amount paid to that creditor is potentially recoverable by the Liquidator.

8.3.2 My investigation is ongoing into whether any creditors, including related entities, have been preferred over other creditors.

8.4 *Australian Securities and Investments Commission ("ASIC")*

8.4.1 On 30 October 2017 I submitted to ASIC a detailed account of my investigation into the company's affairs and the conduct of its directors.

8.4.2 ASIC advised that it did not intend to commence any further action in relation to the conduct of the directors.

9. Liquidator's remuneration

9.1 Please refer to Annexure B, Remuneration Report, for details of the Liquidator's remuneration.

9.2 At the meeting of creditors held on 9 August 2017, creditors approved Liquidator's remuneration of \$25,000 plus GST. I have drawn the approved Liquidator's remuneration in full.

9.3 At the upcoming meeting of creditors to be held on Tuesday, 1 May 2018, I will be seeking approval of my current unpaid and future remuneration.

10. Meeting of creditors

- 10.1 I advise that a meeting of creditors of the company will be held at the offices of Sheridans, Chartered Accountants, Level 9, 40 St George's Terrace, Perth, Western Australia on Tuesday, 1 May 2018 at 11.00am. Accordingly, I enclose the following documents for creditors' attention:
1. Notice of Meeting of Creditors
 2. Proof of Debt or Claim form
 3. Appointment of Proxy form
- 10.2 Please note that unless you lodge a formal Proof of Debt or Claim form with me at this office, then, pursuant to Section 75-85 of the Insolvency Practice Rules (Corporations) 2016, you will not be entitled to vote at the meeting. The enclosed Proof of Debt form should be completed and returned to this office by no later than 4.00pm on Monday, 30 April 2018.
- 10.3 Note that if you are representing a company and the company's constitution states that legal documents must be executed under Common Seal, you should ensure that the Proxy Form is sealed, otherwise you will not be entitled to vote at the meeting.

If you wish to discuss the above matters, please contact Shannon O'Connor or Phillip Nguyen of this office.

Yours faithfully



JENNIFER E. LOW
Liquidator of
Safestone Pty Ltd

**SAFESTONE PTY LTD
ACN 604 039 787
(In Liquidation) (“the company”)**

Section 75-10(a)
Schedule 2
Insolvency Practice Schedule (Corporations)

NOTICE OF MEETING OF CREDITORS

Notice is given that a meeting of creditors of the company will be held at the offices of Sheridans, Chartered Accountants, Level 9, 40 St George’s Terrace, Perth, Western Australia on Tuesday, 1 May 2018 at 11.00am.

AGENDA

1. To receive a report from the Liquidator on the conduct of the liquidation.
2. To receive a statement of the receipts and payments for the period of the liquidation.
3. The creditors to consider, and if thought fit pass, a resolution to approve the unpaid remuneration of the Liquidator.
4. The creditors to consider, and if thought fit pass, a resolution to approve the future remuneration of the Liquidator.
5. Any other business that may be properly conducted.

Dated this 5th day of April 2018



JENNIFER E. LOW
Liquidator of
Safestone Pty Ltd

SAFESTONE PTY LTD
ACN 604 039 787
(In Liquidation) (“the company”)

REMUNERATION REPORT

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1. Declaration

I, Jennifer E. Low of Sheridans, Chartered Accountants, have undertaken a proper assessment of this remuneration claim for my appointment as Liquidator of Safestone Pty Ltd in accordance with the law and applicable professional standards. I am satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the administration.

2. Executive summary

To date, remuneration of \$25,000.00 has been approved and paid in this administration. This Remuneration Report details approval sought for the following fees:

Period	Report reference	Amount (excl. GST) \$
Past remuneration approved: 12 July 2017 to conclusion of liquidation	3 - 5	25,000.00
Current remuneration approval sought: Resolution 1: 12 July 2017 to 28 February 2018 (unpaid) Resolution 2: 1 March 2018 to conclusion of liquidation	3 - 5 5	14,617.90 20,000.00

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

For the following reasons this differs to the estimate of costs provided in the Circular to Creditors dated 21 July 2017, which estimated a cost to completion of the administration of \$50,000 (excl. GST):

- Extensive correspondence and negotiations concerning outstanding pre-appointment debts, including reviewing debtor responses against the company’s records and verifying the responses with the company’s directors.

3. Description of work completed

Resolution 1 - from 12 July 2017 to 28 February 2018

Task area	General description	Includes
Assets 60.0 hours \$14,798.90 ①	Cash at bank	Correspondence regarding funds held in bank accounts. Receipt of cash at bank.
	Pre-appointment debts	Reviewing company records to determine pre-appointment debts. Preparing schedule of debts and monitoring schedule. Correspondence with pre-appointment debtors in order to recover debts owed to the company. Negotiations with pre-appointment debtors and their representatives in respect of outstanding debts. Correspondence with pre-appointment debtors to establish repayment plans. Reviewing company records to verify pre-appointment debtor responses. Correspondence with the directors in respect of pre-appointment debtor responses to determine actual amount outstanding.
	Plant & equipment	Determining value of plant and equipment. Liaising with valuer to perform valuation of plant and equipment. Correspondence with the directors regarding sale of plant and equipment. Realising plant and equipment of the company.
Creditors 25.9 hours \$7,355.20 ①	Creditor enquiries	Receiving and following up creditor enquiries via telephone. Maintaining creditor enquiry register. Reviewing and preparing correspondence to creditors and their representatives via facsimile, email and post.
	Creditor reports	Preparing meeting and general reports to creditors. Preparing 3-month statutory report to creditors.
	Dealing with Proofs of Debt	Receipting and filing Proofs of Debt when not related to a dividend. Correspondence with ATO regarding Proofs of Debt when not related to a dividend.
	Meeting of creditors	Preparing meeting notice, proxies and advertisement. Forwarding notice of meeting to all known creditors. Preparing meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, and minutes of meeting.
Employees 3.9 hours \$1,181.90 ①	Employee enquiries	Receiving and following up employee enquiries via telephone. Maintaining employee enquiry register. Reviewing and preparing correspondence to employees and their representatives via facsimile, email and post.
	Superannuation	Reviewing company's records to verify outstanding superannuation entitlements. Preparing a schedule of outstanding superannuation entitlements. Correspondence with the ATO regarding outstanding superannuation entitlements.
	Annual leave	Determine outstanding annual leave entitlements owed to the directors.
Investigation 29.0 hours \$8,285.10 ①	ASIC reporting	Preparing statutory investigation reports. Liaising with ASIC.
	Conducting investigation	Collection and review of company's books and records. Reviewing and preparing history of the company. Conducting and summarising statutory searches. Preparing comparative financial statements. Reviewing specific transactions. Preparing investigation file.

3. Description of work completed (cont.)

Task area	General description	Includes
Administration 33.2 hours \$7,996.80 ^①	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524, 911 etc. Correspondence with ASIC regarding statutory forms.
	ATO and other statutory reporting	Notification of appointment. Preparing BAS.
	Bank account administration	Preparing correspondence opening bank account. Requesting bank statements. Bank account reconciliations.
	Books and records - storage	Dealing with records in storage. Sending job files to storage.
	Document maintenance	First month, then six-monthly administration reviews. Filing of documents. File reviews. Updating checklists.
	Insurance	Identification of potential issues requiring attention of insurance specialists.
	Planning/review	Discussions regarding status of administration.

^① The total fees incurred for the period 12 July 2017 to 28 February 2018, being \$39,617.90, includes fees of \$25,000.00 which have already been approved by creditors. I am seeking approval of my unpaid fees for this period, being \$14,617.90 (i.e. \$39,617.90 less \$25,000.00).

Resolution 2 - from 1 March 2018 to the conclusion of the liquidation

Task area	General description	Includes
Assets \$6,000	Pre-appointment debts	Monitoring schedule of debts. Correspondence with pre-appointment debtors in order to recover debts owed to the company. Negotiations with pre-appointment debtors and their representatives in respect of outstanding debts. Correspondence with pre-appointment debtors to establish repayment plans. Reviewing company records to verify pre-appointment debtor responses. Correspondence with the directors in respect of pre-appointment debtor responses to determine actual amount outstanding.
Creditors \$2,500	Creditor enquiries	Receiving and following up creditor enquiries via telephone. Maintaining creditor enquiry register. Reviewing and preparing correspondence to creditors and their representatives via facsimile, email and post.
	Creditor reports	Preparing meeting and general reports to creditors.
	Dealing with Proofs of Debt	Receipting and filing Proofs of Debt when not related to a dividend. Correspondence with ATO regarding Proofs of Debt when not related to a dividend.
	Meeting of creditors	Preparing meeting notice, proxies and advertisement. Forwarding notice of meeting to all known creditors. Preparing meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, and minutes of meeting.
Employees \$1,500	Employee enquiries	Receiving and following up employee enquiries via telephone. Maintaining employee enquiry register. Reviewing and preparing correspondence to employees and their representatives via facsimile, email and post.
	Superannuation	Correspondence with the ATO regarding outstanding superannuation entitlements. Reconciling information provided by the ATO to the company's records.
	Annual leave	Correspondence with the directors in respect of their outstanding annual leave entitlements.

3. Description of work completed (cont.)

Task area	General description	Includes
Dividend \$5,000	Dividend procedures	Preparing correspondence to creditors advising of intention to declare dividend. Preparing dividend calculation. Preparing correspondence to creditors announcing declaration and payment of dividend. Preparing dividend and payment vouchers to pay dividend.
	Processing Proofs of Debt	Preparing correspondence to potential creditors inviting lodgement of Proof of Debt. Receipting of Proofs of Debt and maintaining register. Adjudicating Proofs of Debt. Requesting further information from claimants. Preparing correspondence to claimants advising outcome of adjudication.
Investigation \$1,000	Conduct investigation	Finalising investigation into the company's affairs and the conduct of its officers. Reviewing specific transactions to determine if an unfair preference has been given. Pursue unfair preference (if appropriate). Finalising investigation-related tasks.
Administration \$4,000	ASIC Form 524 and other forms	Preparing and lodging ASIC forms including 505, 524, 911 etc. Correspondence with ASIC regarding statutory forms.
	ATO and other statutory reporting	Notification of appointment. Preparing BAS.
	Bank account administration	Preparing correspondence closing bank account. Requesting bank statements. Bank account reconciliations.
	Books and records - storage	Dealing with records in storage. Sending job files to storage.
	Document maintenance	Six-monthly then final administration reviews. Filing of documents. File reviews. Updating checklists.
	Finalisation	Notifying ATO of finalisation. Cancelling ABN/GST/PAYG registration. Completing checklists.
	Planning/review	Discussions regarding status of administration.

4. Calculation of remuneration

Calculation of remuneration in respect of resolution 1:

Employee	Position	\$ /hour (excl. GST)	Total Hrs	Total \$	Task area									
					Assets		Creditors		Employees		Investigation		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
J. E. Low	Liquidator	538	4.7	2,528.60	1.7	914.60	1.9	1,022.20	-	-	0.5	269.00	0.6	322.80
D. Blanchett	Senior Manager	381	22.9	8,724.90	9.7	3,695.70	3.0	1,143.00	0.1	38.10	5.5	2,095.50	4.6	1,752.60
S. O'Connor	Manager	301	54.9	16,524.90	13.2	3,973.20	12.3	3,702.30	3.8	1,143.80	15.2	4,575.20	10.4	3,130.40
M. Ledger	Senior 1	243	1.5	364.50	0.3	72.90	-	-	-	-	-	-	1.2	291.60
P. Nguyen	Intermediate 2	175	56.0	9,800.00	35.1	6,142.50	7.6	1,330.00	-	-	7.1	1,242.50	6.2	1,085.00
S. Marsegaglia	Graduate	147	3.1	455.70	-	-	0.7	102.90	-	-	0.7	102.90	1.7	249.90
A. Avery	Secretary	137	4.0	548.00	-	-	-	-	-	-	-	-	4.0	548.00
M. Francis	Secretary	137	4.5	616.50	-	-	-	-	-	-	-	-	4.5	616.50
M. Laurence	Secretary	137	0.4	54.80	-	-	0.4	54.80	-	-	-	-	-	-
Sub-total			152.0	39,617.90	60.0	14,798.90	25.9	7,355.20	3.9	1,181.90	29.0	8,285.10	33.2	7,996.80
Less: fees already approved				25,000.00										
Total				14,617.90										
GST				1,461.79										
Total (incl. GST)				16,079.69										
Average hourly rate				260.64		246.65		283.98		303.05		285.69		240.87

Notes re prospective fees

- No calculation of remuneration spreadsheet is required in respect of the resolution regarding prospective fees.
- Sheridans' Scale of Fees is increased on 1 August each year in line with the CPI amount. Sheridans' current Scale of Fees is available from Sheridans' office on request.

5. Statement of remuneration claim

Creditors will be asked to consider the following resolutions:

1. That the Liquidator's unpaid remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, is hereby approved for the period 12 July 2017 to 28 February 2018 in the amount of \$14,617.90 plus GST.
2. That the Liquidator's future remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 1 March 2018 to the conclusion of the liquidation to a limit of \$20,000 plus GST, and that the Liquidator be authorised to draw her fees on a monthly basis, or as required, beyond which further approval will be required in accordance with the Corporations Act 2001. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$.

6. Disbursements

Disbursements are divided into three types:

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

I have undertaken a proper assessment of disbursements claimed for Safestone Pty Ltd, in accordance with the law and applicable professional standards. I am satisfied that the disbursements claimed are necessary and proper. Creditor approval for the payment of disbursements was not required.

The following disbursements have been paid by the administration to my firm to 5 April 2018. Any amount paid to my firm for externally provided services and costs is in reimbursement of a cost previously paid by my firm either because of a lack of funds in the administration at the time the payment was due, or because my firm was directly invoiced by the supplier. All of the below transactions appear in the receipts and payments listing attached to this report as appointee disbursements. Where payments to third parties are paid directly from the administration bank account, they are only included in the attached listing of receipts and payments.

Disbursements paid	Basis	Total (excl. GST) \$
Externally provided non-professional services		
Advertising	Cost	76.00
Searches	Cost	93.90
Storage	Cost	1.86
Internal disbursements		
Facsimile	Local: \$2.50 Interstate: \$4.00 International: \$4.00	39.00
Printing and photocopying	20 cents/page	82.20
Postage	Local and interstate: \$1.50 International: cost Other: cost	81.00
Stationery	Cost	6.00
Telephone	National calls (inc. mobile): \$1.00 International: cost	38.00
Total		417.96

7. Report on progress of the administration

This Remuneration Report must be read in conjunction with the Report to Creditors dated 5 April 2018.

8. Summary of receipts and payments

Refer to Section 3 of the Report to Creditors dated 5 April 2018 for a summary of the administration's receipts and payments.

9. Queries

Should creditors have any queries or require any further information in relation to this Remuneration Report, please contact Shannon O'Connor or Phillip Nguyen of this office.

10. Information sheet

An information sheet INFO 85 - "Approving fees: a guide for creditors" is available on ASIC's website at www.asic.gov.au at the "Publications tab" under "Information Sheets"; Letter "A".

Further information regarding the basis of the proposed remuneration is available from Sheridans upon request, as well as detailed summaries of actual time spent on the various tasks.

Jennifer E. Low is a member of the Australian Restructuring Insolvency & Turnaround Association ("ARITA") and follows the ARITA code of Professional Practice. A copy of the code of practice may be found on the ARITA website at www.ARITA.com.au.

SAFESTONE PTY LTD
ACN 604 039 787
(In Liquidation) ("the company")

PROOF OF DEBT OR CLAIM

This is to state that the company was on 12 July 2017 and still is justly and truly indebted to _____ for:

\$ _____ and _____ cents

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

To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount \$	Due date

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. ①

I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. ①

① *Delete both if this proof is made by the creditor personally. Otherwise, strike out or leave, as appropriate.*

Please ensure this proof is signed for completion, before lodgement.

Date: _____

Signature: _____

Name: _____

Occupation: _____

Creditor's address: _____

I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act 2001 at the following email address:

**SAFESTONE PTY LTD
ACN 604 039 787
(In Liquidation)**

APPOINTMENT OF PROXY

*I/*we ❶ _____ of ❷ _____
a creditor of Safestone Pty Ltd appoint ❸ _____ or in
his or her absence _____ as *my/*our *general/*special
proxy to vote at the meeting of creditors to be held on Tuesday, 1 May 2018, or at any
adjournment of that meeting and to vote ❹:

VOTING

To vote generally on all matters arising at the meeting: YES NO

AND / OR ALTERNATIVELY

To vote specifically in the following manner:

- | | FOR | AGAINST | ABSTAIN |
|--|--------------------------|--------------------------|--------------------------|
| 1. That the Liquidator's unpaid remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, is hereby approved for the period 12 July 2017 to 28 February 2018 in the amount of \$14,617.90 plus GST. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. That the Liquidator's future remuneration calculated on the basis of time spent by the Liquidator and her staff, at the standard scale rates set by Sheridans for work of this nature, be approved for the period 1 March 2018 to the conclusion of the liquidation to a limit of \$20,000 plus GST, and that the Liquidator be authorised to draw her fees on a monthly basis, or as required, beyond which further approval will be required in accordance with the Corporations Act 2001. The standard scale rates will be increased in accordance with the CPI at 1 August each year, rounded up to the nearest \$. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

SIGNATURE

Signature _____

*Signature ❺ of individual or person
authorised ❻ by corporate resolution
to represent the corporation.*

Dated this ____ day of _____ 2018

CERTIFICATE OF WITNESS

This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

I, _____ of _____
certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him or her before he or she signed or marked the instrument.

Dated this _____ day of _____ 2018

Signature of witness _____

Description _____

Place of residence _____

NOTES

- * Delete as applicable.
- 1. If a corporation, strike out "I" and set out the full name of the corporation.
- 2. Address of creditor.
- 3. Name, address and description of the person appointed.
- 4. If a special proxy add the words "to vote for" or "to vote against" and specify the particular resolution.
- 5. The signature of the creditor or member is not to be attested by the person nominated as proxy.
- 6. A corporation may only be represented by proxy or by an attorney appointed pursuant to Section 75-150 and Section 75-155 of the Insolvency Practice Rules (Corporations) 2016 respectively or by a representative appointed under Section 250D of the Corporations Act 2001. Copy of authority/power of attorney to be annexed.