

The Insolvency Act 1986

Notice of result of meeting of creditors

Name of Company Cornish Minerals Limited	Company number 07022896
In the High Court of Justice Companies Court <small>(full name of court)</small>	Court case number 1848 of 2014

(a) Insert full name(s)
and address(es) of the
administrator(s)

We, David William Tann, Keith Aleric Stevens and John Arthur Kirkpatrick of Wilkins Kennedy LLP, Gladstone House, 77-79 High Street, Egham, Surrey, TW20 9HY

*Delete as applicable

hereby report that *a meeting / ~~an adjourned meeting~~ of the creditors of the above company was held at

(b) Insert place of
meeting

(b) Gladstone House, 77-79 High Street, Egham, Surrey, TW20 9HY

(c) Insert date of
meeting

on (c) 12 March 2015

at which

*Delete as applicable

*1 ~~Proposals / revised proposals were approved~~

*2 ~~Proposals / revised proposals were modified and approved~~

(d) Give details of the
modifications (if any)

~~The modifications made to the proposals are as follows~~

(d) _____

(e) Insert time and date
of adjourned meeting

*3 ~~The proposals were rejected~~

*4 ~~The meeting was adjourned to (e)~~ _____

(f) Details of other
resolutions passed

*5 ~~Other resolutions~~ (f) _____

*Delete as applicable

The revised date for automatic end to administration is 13 September 2015

THURSDAY



Q4307JFK


QIQ

12/03/2015

#141

COMPANIES HOUSE

A creditors' committee *was / was not formed

Signed 
Keith Aleric Stevens
Joint Administrator

Dated 12 - 03 - 2015

Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ **DX 33050 Cardiff**

COMPANIES HOUSE

The Insolvency Act 1986

Administrator's progress report

Name of Company Cornish Minerals Limited	Company number 07022896
In the High Court of Justice (full name of court)	For court use only 1848 of 2014

(a) Insert full name(s) and address(es) of administrators

We, David William Tann, Keith Aleric Stevens and John Arthur Kirkpatrick of Wilkins Kennedy LLP, Gladstone House, 77 – 79 High Street, Egham, Surrey, TW20 9HY,

Administrators of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 14 September 2014

(b) 25 February 2015

Signed


Keith Aleric Stevens
Joint Administrator

Dated

12 - 3 - 2015

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searches of the public record

Wilkins Kennedy LLP
Gladstone House
77 – 79 High Street
Egham
Surrey
TW20 9HY

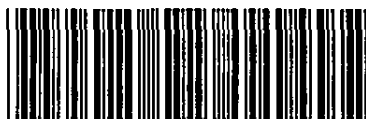
Tel 01784 435561

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

THURSDAY



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A07

12/03/2015

#200

COMPANIES HOUSE

**Cornish Minerals Limited – In Administration
("the Company")**

**Progress Report to Creditors
Pursuant to Rule 2.47 of the Insolvency Rules 1986**

Issued on: 25 February 2015

Wilkins Kennedy LLP
Gladstone House
77 – 79 High Street
Egham
Surrey
TW20 9HY

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1. Introduction

I was appointed as administrator of the Company, to act jointly with my partners Keith Aleric Stevens and John Arthur Kirkpatrick, on 14 March 2014 upon the director filing a notice of appointment of an administrator at the High Court of Justice, Companies Division, in accordance with Paragraph 22 of Schedule B1 of the Insolvency Act 1986. I am writing to provide my progress report to creditors in accordance with Rule 2.47 of the Insolvency Rules 1986.

Under paragraph 76(1) of Schedule B1 of The Insolvency Act 1986 my appointment ceases to have effect at the end of the period of one year. I explained in my last progress report that it would be necessary for me to either apply to court, or seek creditors approval, to extend the automatic end of the administration to allow time in order to protect and facilitate a sale of the Company's shareholding in Western United Mines Limited ("WUM") and Cornish Minerals Limited, a Bermudian registered company. WUM, which is also in administration, operates the South Crofty mine and Cornish Minerals Ltd owns certain mineral rights to the mine.

My full report is provided below and should be read in conjunction with my progress report dated 30 September 2014. In summary, an investor currently is investigating the feasibility of raising sufficient funds to take WUM out of administration, the strategy for which will include the acquisition of the shareholdings in WUM and Cornish Minerals Ltd.

The likely outcome and timescale are uncertain at present.

Statutory information concerning the Company is attached at Appendix 1.

2. Purpose and progress of the administration

The purpose of an administration is to achieve one of the three objectives set out in the insolvency legislation, which are to -

- (a) rescue the company as a going concern, or
- (b) achieve a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
- (c) Realise property in order to make a distribution to one or more secured or preferential creditors.

The purpose of my appointment was to control the shares in two subsidiaries, WUM, which is in administration, and Cornish Minerals Ltd, a Bermudian registered company. It is anticipated that the shares will be sold as part of the strategy for WUM to exit administration. The sale may allow the liabilities of the Company to be settled in full in which case objective a) will be achieved. If this is not possible then any sale will allow a distribution to be made to the secured creditor which will mean that objective c) will be achieved.

The prospects and timescale for the sale depend upon the issues set out in paragraph 4 below.

The insolvency legislation has set a 12 month maximum duration for administrations, unless the duration is extended by the court or the creditors. It was estimated that the sale of WUM could take around 10 months from my last report to complete, whilst a preliminary economic assessment ("PEA") of the mine is undertaken. I am advised that whilst the PEA is progressing well it is not possible to say at present when the final position will be known. For this reason I am applying to creditors for a six month extension to the administration which should be sufficient to allow for any unforeseen delays.

My detailed proposals as administrator were submitted to creditors on 28 April 2014 and the proposals were approved without modification.

3 Receipts and payments account

My receipts and payments account for the period from 14 March 2014 to 25 February 2015 is attached at Appendix II. As at 25 February 2015 a total of £48.66 was held in the administration account. This account is held at Metro Bank, is interest bearing, and I confirm that it has been reconciled to the bank statements.

4 Asset realisations

4.1 Investments and Shareholdings

The Company is the 100% shareholder of WUM and Cornish Minerals Ltd, a Bermudan registered company. WUM owns and operates the South Crofty mine and Cornish Minerals Ltd owns certain mineral rights. I was appointed administrator of WUM, along with my partners Keith Stephens and John Kirkpatrick, in June 2013.

The mine currently is being operated on a care and maintenance basis whilst an investor conducts a preliminary economic assessment ("PEA") with a view to raising further investment to allow WUM to be taken out of administration. If successful it is anticipated that the investor will acquire the shares of WUM and Cornish Minerals Ltd.

The PEA is not yet complete and so the prospects for the sale of the subsidiaries at present are uncertain.

4.2 Loan from secured creditor

The secured creditor has provided a loan to the Company of £2,300 to allow legal costs incurred to be settled.

5 Creditors' claims and dividend prospects

5.1 Secured creditor

As advised in my previous reports, the Company gave a fixed and floating charge to Galena Special Situations Master Fund Limited on 26 August 2010 which was registered on 3 September 2010. As this date falls after the 15 September 2003 the prescribed part provisions contained in the Insolvency Act 1986 will apply. Full details of the prescribed part provisions were provided in my proposals, but it is unclear at present whether there will be sufficient realisations to allow a distribution to the unsecured creditors under the provisions.

The debt to Galena was shown in the statement of the financial position enclosed with my proposals at £3.16m. Any advances made by Galena to fund this administration will be added to that debt.

5.2 Preferential creditors

There are no preferential creditors.

5.3 Crown creditors

The financial position statement included a nominal provision of £1 for liabilities to HM Revenue & Customs ("HMRC"). HMRC are yet to submit a claim.

5.4 Unsecured creditors

The Company has only nominal unsecured creditors and no claims have been received to date.

For those creditors who have yet to submit their claim would you please complete the proof of debt form attached at Appendix IV and return it to me, complete with supporting documentation, so that I may register your claim

At present there is unlikely to be funds for distribution to unsecured creditors because of the level of the secured debt. Any distribution to unsecured creditors will depend on the prescribed part provisions referred to below which is currently uncertain

5.5 Prescribed part

My proposals gave details of the prescribed part provisions contained in section 176A of the Insolvency Act 1986. The Company gave a fixed and floating charge to Galena Special Situations Master Fund Limited on 26 August 2010 which was registered on 3 September 2010. As this date falls after the 15 September 2003 the prescribed part provisions will therefore apply

I will review the prescribed part provisions once the likely outcome of the administration of WUM is known

6 Investigations

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. I considered in particular transactions which took place at the time of and immediately prior to the Company ceasing to trade

There were no matters that justified further investigation in the circumstances of this appointment

Within six months of my appointment, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report has been submitted

7 Expenditure

7.1 Pre-administration remuneration

On 6 June 2014 the following pre-appointment costs were approved by the secured creditor

<u>Description</u>	<u>Paid pre-appointment</u> <u>(£)</u>	<u>Total to be paid</u> <u>(£)</u>
Insolvency Practitioners' remuneration	-	745.00
Boyes Turner Solicitors	-	2,251.40

The solicitor's fees have been paid from the funds under my control. My pre appointment remuneration remains outstanding

7.2 Joint administrators' remuneration

My remuneration was authorised by the secured creditor on 6 June 2014 to be drawn on a time cost basis. My total time costs to 25 February 2015 amount to £8,313.75, which have been charged at an average charge out rate of £155.69

I have not been able to draw any remuneration

A schedule of my time costs incurred to date is attached at Appendix III

A description of the routine work undertaken in the administration is set out at Appendix II. In addition to the routine work, I have spent additional time monitoring the administration of WUM.

A "Creditors Guide to Administrators' Fees" is available at the following internet link www.r3.org.uk/index.cfm?page=1210. A hard copy of this document is available free of charge upon request to my office.

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the joint administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the joint administrators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

7.3 Joint administrators' expenses

My expenses to 25 February 2015 amount to £309.80.

I have not been able to draw any expenses.

The following expenses have been incurred but have not yet been paid.

<u>Particulars of expense</u>	<u>Type of expense</u> <u>(category 1 or 2)</u>	<u>Amount incurred/</u> <u>accrued to date</u> <u>(£)</u>	<u>Amount</u> <u>outstanding (£)</u>
Postage	1	20.53	20.53
Stationery	2	4.45	4.45
Companies House Fees	1	1.00	1.00
Specific Bond	1	20.00	20.00
Statutory Advertising	1	140.00	140.00
IT Administration Fee	1	110.00	110.00
Third Party Postage	1	13.82	13.82
		<u>309.80</u>	<u>309.80</u>

8 Extension of administration

In order to reduce costs, it is the Joint Administrators' intention to receive creditors' votes on the extension of administration via correspondence under Paragraph 58(1) of Schedule B1 of the Insolvency Act 1986 rather than by summoning a creditors' meeting under Paragraph 50 of Schedule B1 of the said Act. A meeting by correspondence will be held on 12 March 2015 at Gladstone House, 77/79 High Street, Egham, Surrey, TW20 9HY.

In accordance with Rule 2.48 of the Insolvency Rules 1986, I have enclosed at Appendix V a Form 2.25B which creditors should use to indicate their votes on the proposed resolutions.

Creditors should note that in order for their vote to be counted, the Form 2 25B should be returned to the Joint Administrators' offices at Gladstone House, 77/79 High Street, Egham, Surrey, TW20 9HY by 12 00 noon on 11 March 2015 and must be accompanied by a statement of claim, unless a proof of debt form has already been submitted in this matter. A proof of debt form is enclosed at Appendix VIII.

In order for the resolution proposed to be approved, the Joint Administrators' must receive at least one valid Form 2 25B by the date specified or the Joint Administrators will be required to summon a creditors' meeting to consider the resolution. The resolution will be deemed passed if the majority in value (greater than 50%) of those voting, vote in favour of the resolution.

Creditors should note that any single creditor, or group of creditors, whose debt(s) amount to at least 10% of the total debts of the Company may, within 5 business days from the date of these proposals, require the Joint Administrators to summon a meeting of creditors to consider the resolution.

9 Conclusion of the administration

The administration will remain open until the affairs in WUM have been finalized. It is unclear what the timescale for this will be, but it is possible that it may be necessary to seek an extension of the 12 month term of the administration. Should this be the case, I will send a further progress report to creditors as part of my application for an extension.

Should you require any further information relating to the administration of the Company please do not hesitate to contact Milan Vuceljic on the telephone number shown in the covering letter to this report.


David William Tann
Joint Administrator

Company Information

Company name Cornish Minerals Limited

Previous name -

Trading style Holding company

Company registration number 07022896

Date of incorporation 17 September 2009

Current registered office Gladstone House
77 - 79 High Street
Egham
Surrey
TW20 9HY

Former registered office and trading address One America Square
Crosswall
London
EC3N 2SG

Principal trading activity Holding company

Appointment details

Date of appointment 14 March 2014

Appointment made by Company director

Court name and reference High Court of Justice No 1848 of 2014

Administrators' appointed David William Tann, Keith Aleric Stevens and John Arthur Kirkpatrick

I P numbers 008101, 008065 and 002230

Officers of the company

Directors (in the previous three years)		<u>Appointed</u>	<u>Resigned</u>
Mr Alan Shoesmith		24 September 2013	-
Mr Norman Brewster		24 November 2011	25 June 2012
Mr Duncan Hay		24 November 2011	21 January 2014
Mr Gerard Lynch		17 September 2009	18 May 2011
Mr David McQuaig		25 June 2012	28 May 2013
Mr Geoffrey Smith		25 June 2012	24 September 2013
Company Secretary	SGH Company Secretaries Limited		-
Shareholding	The Company's authorised share capital is 18,978,105 ordinary shares of £0.10 each 18,978,105 shares have been issued and are held as follows		
	Baseresult Holdings Limited	5,689,863	
	Cassite Limited	8,310,137	
	Cornwall Metals Cooperatief U A	4,978,105	

Charges

<u>Name of chargeholder</u>	<u>Type of charge</u>	<u>Date created</u>	<u>Date registered</u>
Galena Special Situations Master Fund Limited	Fixed and floating	26 August 2010	3 September 2010

Cornish Minerals Limited - In Administration
Joint Administrators' Abstract of Receipts & Payments

From 14 March 2014 to 25 February 2015

S of A £		£
RECEIPTS		
NIL	Bank Interest Gross	0 06
NIL	Loan from Secured Creditor	2,300 00
NIL		<u>2,300 06</u>
PAYMENTS		
	Legal Fees	1,882 00
	Vat Receivable	369 40
		<u>2,251 40</u>
CASH IN HAND		<u>48 66</u>

WILKINS KENNEDY LLP

Schedule of administrators' remuneration and disbursements

For

Cornish Minerals Limited

As at 25 February 2015

ADMINISTRATORS' FEES

Classification Of work function	HOURS					Time Cost £	Average hourly rate £
	Partner	Manager	Other senior Professionals	Assistants & support staff	Total Hours		
Administration & planning	0 70	0 75	4 10	12 25	17 80	1,891 25	106 25
Investigations	0 50	-	2 50	-	3 00	512 50	170 83
Realisation of assets	2 20	-	-	-	2 20	680 00	309 09
Creditors	0 20	-	-	1 70	1 90	117 50	61 84
Statutory Matters	4 70	-	23 40	0 40	28 50	5,112 50	179 39
Total hours	8 30	0 75	30 00	14 35	53 40	8,313 75	155 69
Total fees claimed (£)						NIL	

Wilkins Kennedy LLP Charge-Out Rates

1 February 2012 to 31 July 2013

£

1 August 2013 to date

£

Partners/Directors	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00
Supervisors	205 00
Case Managers/Senior Administrators	195 00
Administrators/Investigators	100 00 – 145 00
Junior/Trainee Administrators	65 00 – 100 00
Cashiers/Secretaries	75 00 – 90 00

Partners/Directors	400 00 – 450 00
Senior Managers/Managers	270 00 – 300 00
Supervisors	205 00
Case Managers/Senior Administrators	145 00 – 195 00
Administrators/Investigators	100 00 – 160 00
Junior/Trainee Administrators	65 00 – 100 00
Cashiers/Secretaries	75 00 – 90 00

Explanation of office-holders time charging policy

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP9"), the chargeout rates detailed on the previous page are applicable to this appointment exclusive of VAT. Rates are normally reviewed on an annual basis and adjustments made accordingly where deemed appropriate.

Time is recorded in 6 minute units by each staff member working on the case. A description of the routine work undertaken which time will be recorded for is detailed as follows:

1 Administration and planning

- Preparing documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Reviewing the ongoing progression of case files
- Arranging the collection and storage of company records
- Ensuring an appropriate case bordereau is in place
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors where appropriate

2 Investigations

- Review and storage of the company's books and records
- Preparation of returns / reports pursuant to the Company's Directors Disqualification Act 1986
- Conduct investigations into any suspicious transactions
- Reviewing the books and records to identify any transactions or actions that the officeholder may take in order to recover funds for the benefit of creditors

3 Realisation of assets

- Identifying, securing and obtaining sufficient insurance in respect of company assets
- Dealing with any retention of title or other third party claims
- Debt collection functions
- Negotiating and completing property, business and asset sales

4 Trading

- Management of trading operations
- Maintaining and preparing accounting records for the period of trade
- Dealing with ongoing employee issues

5 Creditors

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information and claims (including those submitted by secured creditors, employees and other preferential creditors)

Explanation of office-holders disbursement recovery policy

SIP9 also requires that the office holder provide a statement of the office-holder's policy in relation to the recharging of disbursements. SIP 9 defines disbursements as either **Category 1** or **Category 2** disbursements, further details of which are below

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage

Category 2 disbursements will generally comprise costs which, whilst being in the nature of expenses or disbursements, include elements of shared or allocated costs

Charging and disbursement recovery policy

Category 1 disbursements are recoverable without approval, and will be recovered by the office holder as they are incurred

Category 2 disbursements do require approval, and should be identified and subject to approval by those responsible for approving remuneration. SIP 9 provides that, the office holder may make a separate charge for expenses in this category, provided that -

- such expenses are of an incidental nature and are directly incurred on the case, and there is a reasonable method of calculation and allocation, it will be persuasive evidence of reasonableness, if the resultant charge to creditors is in line with the cost of external provision, and
- the basis of the proposed charge is disclosed and is authorised by those responsible for approving his remuneration

Payments to outside parties in which the office holder or his firm or any associate (as defined by section 435 of the Insolvency Act 1986) has an interest should be treated as category 2 disbursements

The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

Photocopying	5p per sheet
Mileage	45p per mile (40p per mile prior to 6 April 2011)
Meeting Room	£50

Complaints procedure

Details of our complaints procedure are available on our website using the following link <http://www.wilkinskennedy.com/services/wk-restructuring-recovery/insolvency/complaints-procedure>

Proof of Debt – General Form

CORNISH MINERALS LIMITED - IN ADMINISTRATION

Date of administration 14 March 2014

1.	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	
For Administrators' Use only		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator

Notice of conduct of business by correspondence

Name of Company Cornish Minerals Limited	Company number 07022896
In the High Court of Justice (full name of court)	Court case number 1848 of 2014

(a) Insert full name(s) and address(es) of administrator(s)

Notice is hereby given by (a) David William Tann, Keith Aleric Stevens and John Arthur Kirkpatrick of Wilkins Kennedy LLP, Gladstone House, 77-79 High Street, Egham, Surrey, TW20 9HY,

(b) Insert full name and address of registered office of the company

To the creditors of (b) Cornish Minerals Limited of Gladstone House, 77 - 79 High Street, Egham, Surrey, TW20 9HY

(c) Insert number of resolutions enclosed

That pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed is (c) one resolution for your consideration. Please indicate below whether you are in favour or against each resolution

(d) Insert address to which form is to be delivered

This form must be received at (d) Gladstone House, 77 - 79 High Street, Egham, Surrey, TW20 9HY

(e) Insert closing date

By 12 00 hours on (e) 11 March 2015 in order to be counted. It must be accompanied by details in writing of your claim unless those details have already been submitted for the purpose of a meeting of creditors. Failure to do so will lead to your vote(s) being disregarded

Repeat as necessary for the number of resolutions attached

Resolution (1)

I am *in Favour / Against

* - delete as applicable

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM:

Name of creditor _____

Signature of creditor _____
(If signing on behalf of creditor, state capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact me / us at the address above

Signed


Keith Aleric Stevens
Joint Administrator

Dated

25/2/15

Cornish Minerals Limited – In Administration

Proposed resolutions as per Form 2.25B

Resolution (1)

That the automatic end of the administration is extended by six months to 13 September 2015.