

# AM03

## Notice of administrator's proposals



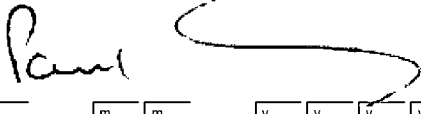
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<b>1</b>	<b>Company details</b>	
Company number	0 9 5 4 0 9 2 6	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	Nq Minerals Plc	
<b>2</b>	<b>Administrator's name</b>	
Full forename(s)	Paul	
Surname	Cooper	
<b>3</b>	<b>Administrator's address</b>	
Building name/number	29th Floor	
Street	40 Bank Street	
Post town	London	
County/Region		
Postcode	E 1 4 5 N R	
Country		
<b>4</b>	<b>Administrator's name ①</b>	
Full forename(s)	Paul Robert	<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Appleton	
<b>5</b>	<b>Administrator's address ②</b>	
Building name/number	29th Floor	<b>② Other administrator</b> Use this section to tell us about another administrator.
Street	40 Bank Street	
Post town	London	
County/Region		
Postcode	E 1 4 5 N R	
Country		

AM03  
Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	

7	Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕  ✕</div>	
Signature date	<div><div><div><div><sup>d</sup></div><div>2</div></div><div><div><sup>d</sup></div><div>9</div></div></div><div><div><sup>m</sup></div><div>0</div></div><div><div><sup>m</sup></div><div>9</div></div></div> <div><div><div><sup>y</sup></div><div>2</div></div><div><div><sup>y</sup></div><div>0</div></div></div> <div><div><div><sup>y</sup></div><div>2</div></div><div><div><sup>y</sup></div><div>1</div></div></div>	

# AM03

## Notice of Administrator's Proposals



### Presenter information

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

Contact name	Adam Shama
Company name	Begbies Traynor (London) LLP
Address	29th Floor 40 Bank Street
Post town	London
County/Region	
Postcode	E 1 4 5 N R
Country	
DX	
Telephone	020 7400 7900



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register.
- ☒ You have attached the required documents.
- ☒ You have signed and dated the form.



### Important information

All information on this form will appear on the public record.



### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability.

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## Nq Minerals Plc (In Administration)

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Statement of proposals for achieving the purpose of administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of the Insolvency (England and Wales) Rules 2016

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## Important Notice

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company" or "NQM"	Nq Minerals Plc (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 9 August 2021
"the administrators", "we", "our", "us"	Paul Cooper of Begbies Traynor (London) LLP, 29th Floor, 40 Bank Street, London, E14 5NR and Paul Robert Appleton of Begbies Traynor (London) LLP, 29th Floor, 40 Bank Street, London, E14 5NR
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. STATUTORY INFORMATION

Name of Company	NQ Minerals Plc	
Trading name(s):	N/a	
Date of Incorporation:	14 April 2015	
Company registered number:	09540926	
Company registered office:	c/o Begbies Traynor, 29 <sup>th</sup> Floor, 40 Bank Street, London E14 5NR	
Former registered office:	c/o PKF Littlejohn, 15 Westferry Circus, Canary Wharf, London E14 4HD	
Trading address:	c/o PKF Littlejohn 2nd Floor, 1 Westferry Circus, London, E14 4HD	
Principal business activities:	Holding Company with investments in Australian mining subsidiaries	
Directors and details of shares held in the Company (if any):	Name	Shareholding
	Adrian Moroz	None
	David Lenigas	40,000
	Gregory Lane	None
	Richard Poulden	None
Company Secretary and details of the shares held in Company (if any):	Name:	Shareholding
	PKF Littlejohn Corporate Services Limited	None
Auditors:	PKF Littlejohn 15 Westferry Circus, Canary Wharf, London E14 4HD	
Share capital:	£547,161	
Shareholders:	Per the attached list at appendix 2b	

## 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment:	9 August 2021
Date of resignation:	N/a
Court:	Royal Courts of Justice
Court Case Number:	001434 of 2021
Persons making appointment / application:	The Directors of the Company

Acts of the administrators: The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.

Type of Proceedings: The proceedings will be COMI proceedings as defined by the Insolvency (England and Wales) Rules 2016 (as amended)

## STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows:

- "3 (1) The administrator of a company must perform his functions with the objective of-
- (a) rescuing the company as a going concern, or
  - (b) achieving 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) realising property in order to make a distribution to one or more secured or preferential creditors.
- (2) Subject to sub-paragraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole.
- (3) The administrator must perform his functions with the objective specified in sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
  - (b) that the objective specified in sub-paragraph (1)(b) would achieve a better result for the company's creditors as a whole.
- (4) The administrator may perform his functions with the objective specified in sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (1)(a) and (b), and
  - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole."

## 4. CIRCUMSTANCES GIVING RISE TO OUR APPOINTMENT

Paul Cooper of Begbies Traynor plc was first approached in a professional capacity at the start of July 2021 with a view to providing input into a proposed debt for equity swap offer being made to creditors, as well as to provide advice to the Board of Directors with regard to the range of restructuring options available should the debt for equity swap not prove successful. Over the previous few months, the Directors had explored multiple avenues to keep the Company trading. The intractable problem had proved to be the restructuring of high levels of debt accumulated over the previous years by the Company.



Having undertaken an extensive analysis over a period of 3 weeks, a Report was issued to the Board on 28 July 2021 including an Estimated Statement of Affairs (“ESOA”) and a sensitivity analysis on putative returns to creditors.

It was clear that the Group was structured such that NQM held shares in two subsidiaries, which held the underlying assets in additional subsidiaries. A solvency event could clearly exist at the Holding Company entity whilst the Companies holding the underlying assets continue to be able to pay debts, as, and when, they fell due. A Group Structure, which has been produced with the assistance of Solicitors, is attached at Appendix 4.

In more granular detail, it was established that NQM owned 100% of Keen Pacific Limited (BVI registered), which owned 100% of Ivy Resources Pty Ltd, which in turn owned Hellyer Gold Mines Pty Ltd (“HGM”) and Pieman Resources Pty Ltd (“PR”). These two companies ultimately held the operational assets. HGM held the Hellyer Tailing Assets and the Hellyer Processing Plant and PR held the Hellyer Underground Mining Assets, the Fossey and Hellyer Mines, the Hellyer Exploration Rights and the Beaconsfield Gold Mine Assets.

In terms of security, whilst there was nothing extant in NQM and nothing appearing at the Companies House Registry, it was initially understood (and subject to a more detailed review by Solicitors) that ING Bank NV (“ING”) were secured with a first ranking charge over HGM and its underlying assets, with Audley Funding plc (“Audley”) having second ranking security. In addition, Audley had security on the Hellyer Underground and Exploration Mining leases sitting within PR. Finally, Invenio Capital plc (“Invenio”) held a cross guarantee from Keen Pacific Limited for loans made to NQM. However, it was acknowledged that all security arrangements would need to be carefully reviewed by legal advisors in the appropriate jurisdictions.

NQM's other assets were held in NQ Minerals Pty Ltd, which was the 100% owner of Circle Resources Pty Ltd (“CR”), and which held the underlying assets, namely the Ukalanda and Square Post Tenements. NQ Minerals Pty Ltd was a Guarantor for NQM in respect of the Invenio debt.

For completeness, it was understood that NQM also held an option over the 100% shareholding in Tasmania Energy Metals Pty Limited, which owned the Scott Vulcan and Barnes Hill Deposits.

It was acknowledged that NQM did not trade, per se, therefore, did not have any employees or trading premises.

Turning to the solvency status of NQM, the Board was advised that the definition of solvency was as set out in the Insolvency Act 1986. For clarity, pursuant to S123, there are two definitions of solvency:

- a) The balance sheet test. Are the assets of the Company less than the liabilities and contingent liabilities?
- b) The liquidity test. Can the Company pay its debts, as, and when, they fall due?

The ESOA converts a balance sheet into a realisable balance sheet, looking at the current live position to form a view. This was completed with the assistance of the Company's external accounts, Jeffreys Henry.

Given the uncertainty regarding the sale of the investments in its subsidiaries, apart from a small residual balance of cash, it was clear that all other asset realisations offered no short-term liquidity. The liability position was significant highlighting circa £98m of debt.

Based on the book value of subsidiaries there would be a deficit to creditors in the region of £70m, albeit the potential outcome would be sensitised by any actual realisations in that regard.

In summary, on a balance sheet basis the Company was insolvent with the liabilities being substantially higher than the assets.

From a liquidity perspective, it was apparent that debts in the region of US\$3.5m were overdue with a further US\$2.5m falling due in August 2021. Accordingly, without a very significant short term cash injection the Company was insolvent on a liquidity basis as well as a balance sheet basis.

As a result, it appeared that an insolvency procedure could be appropriate in the circumstances. This was especially pertinent given the Directors' fiduciary duties, pursuant to 172 and 174 of the Companies Act 2006. Various procedures were explained to the Directors in order that they were fully informed of the options available.

1. The Directors could appoint an Administrator pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986 ("the Act"). It was noted that there was no security in NQM to allow a Paragraph 14 appointment;
2. The Directors could propose a Company Voluntary Arrangement ("CVA") to the creditors of the Company;
3. The Directors could resolve to convene the relevant meetings of Shareholders and Creditors with a view to placing the Company into Creditors' Voluntary Liquidation ("CVL");
4. A creditor could issue a Winding-Up Petition against the Company in respect of any unsecured element of its debt, with a view to it being placed into Compulsory Liquidation. It could also present a petition to place the Company into Administration pursuant to Paragraph 12 of Schedule B1 to the Act; or
5. Finally, there was the alternative route raising of further capital. However given the circumstances and background, this was considered unlikely to be a viable option.

Option 2 was not deemed feasible in the circumstances given the minimal levels of trading and lack of income upwards from the subsidiaries.

Options 3 and 4 (Winding-Up petition) were considered to have the effect of irrecoverably damaging the underlying businesses. Accordingly, an Administration via option 1 was deemed the best option as the appointment could be secured relatively quickly with a view to safeguarding the underlying assets and providing the requisite breathing space required to potentially allow a formal sale of the subsidiaries or other form of restructuring.

Over the following 10 days, meetings and conversations were held with the Directors with a view to agreeing a consensus. Matters that needed to be considered were ensuring the statutory purpose of Administration could be achieved, how the Estate would be funded and the impact Administration would have on the trading situation of the subsidiaries.

In addition, given the Company was listed on the Aquis Stock Exchange, there were a number of regulatory requirements that any office holder would need to take legal advice on to ensure full compliance.

Ultimately, it was agreed by the Board on 5 August 2021 that they would take steps to place the Company into Administration with Paul Cooper and Paul Appleton appointed as Joint Administrators with effect from 10.29am on 9 August 2021.

## 5. STATEMENT OF AFFAIRS

The Directors have prepared a Statement of Affairs of the Company as at 9 August 2021 which is attached at Appendix 2. This has been signed by Adrian Moroz in his capacity as interim CEO and CFO. It makes no provision for the costs of the administration or any subsequent liquidation or voluntary arrangement. It should be noted that for ease of completion some of the sub-categories of creditors and shareholders (trade, convertible loan note and loan note holders) were grouped together as a global figure.

It should be noted that Mr Moroz has issued a caveat in a statement of concurrence (also at Appendix 2) that some of the creditor balances (particularly trade, convertible loan note and loan note holders) had not been fully reconciled as at 31 August 2021 (the date the ESOA was signed), therefore, some of the balances are immaterially incorrect. It should also be noted that there is a difference between some of the values on the

face of the ESOA and the values on the supporting schedules. Where there is a difference (for example the Audley debt), the supporting schedules should be taken as overriding.

It is understood that the majority of the book values were obtained from pre-appointment management information. Our comments on the ESOA are as follows:

#### Goodwill/Brand & Intellectual Property

Whilst there is no value attributed to the Goodwill in the accounts, it was considered that there could be some value attributable to the Group's operations as a whole as the "NQ Minerals" brand has been established for some time.

#### Investments in NQ Minerals Pty Limited and Keen Pacific Limited

The investments in the subsidiaries have been detailed earlier in this Report. The management accounts for 30 June 2021 disclose there to be a book value attributable to the investments of KPL and NQM of £20.8 million and £7.3 million for NQ Minerals Pty Ltd and Keen Pacific Limited, respectively.

The Joint Administrators have been in extensive conversations and email correspondence with the Directors of these entities and the underlying subsidiaries, together with interested parties with a view to funding the optimal strategy to enable realisations to be made for the benefit of the Administration Estate. This is detailed later in the Report. Accordingly, an uncertain value seems eminently sensible for the purposes of the ESOA.

#### Convertible Loan Notes - TEM

The Company has loan notes totalling £617,000 disclosed as an asset on its Balance Sheet, which is in respect of an option the Company has on one of its projects, namely Tasmania Energy Metals Pty Ltd, which is a prospect Nickel Cobalt project, whereby it has the right to convert the loan notes to shares in that entity. The situation with this option and the likely realisable value for the same needs to be determined. Accordingly, an uncertain value seems sensible for the purposes of the ESOA.

#### Related Party Loans

The Company advanced funds over the past few years to a variety of entities, which are understood to be connected to the former Director, Walter Doyle. It was understood that the sum of £1.2 million was outstanding in this regard as at 31 December 2020 from a number of entities and one individual.

The Joint Administrators have instructed the Company's former accountants, PKF, to undertake a reconciliation of the position and update the figures to the date of Administration. This process remains ongoing. Any recoveries are dependent on this analysis and the feasibility of making a recovery from the relevant entities and individual. Accordingly, an uncertain value is appropriate here.

#### Inter-Company Debtors

The financial statements indicated that the Company was owed circa £3.5 million in respect of intercompany borrowings due from the entities detailed in the table below.

	£
NQ Minerals Pty Ltd	2,870,000
Pieman Resources Pty Ltd	538,000
Circle Resources Pty Ltd	112,000
	<hr/>
	3,520,000
	<hr/>

The Joint Administrators are in the process of assessing the balances at the date of Administration in conjunction with PKF and the levels of recoverability in respect of each debt. It is understood, in particular, that

the balance due from Pieman Resources Pty Ltd may be higher and a potential recovery is possible dependent on funding being secured into that entity from third parties.

Accordingly, an uncertain value for the purposes of the ESOA is sensible.

#### Cash at Bank

It was indicated that the sum of £9,261 was held in the Company's bank accounts at the date of Administration with Metro Bank plc and Alpha Bank. Following appointment, we wrote to Metro and Alpha in order to recover the sums held to the credit of these accounts. The sum of £5,910 was recovered from Metro and we currently await the remittance of the sum held to the credit of the account with Alpha (understood to be £255).

There may also be a small additional sum coming from the Singaporean subsidiary.

#### Creditors

**The Creditors' sums on the ESOA were based on the last known position from the Company's records** rather than the claims issued by creditors, which will be reviewed in due course. The amounts disclosed should not be taken as exact or binding upon the Creditors. Creditors, if they have not already done so, are requested to submit a formal proof of debt in order that the final position may be ascertained.

As detailed above, it should be noted that Mr Moroz has issued a caveat in a statement of concurrence that some of the creditor balances (particularly trade, convertible loan note and loan note holders) had not been fully reconciled as at 31 August 2021 (the date the ESOA was signed), therefore, some of the balances are immaterially incorrect.

It should also be noted that there is a difference between some of the values on the face of the ESOA and the values on the supporting schedules. Where there is a difference (for example the Audley debt), the supporting schedules should be taken as overriding.

## 6. THE ADMINISTRATION PERIOD

#### Work undertaken by the Administrators and their staff

The manner in which the affairs and business of the Company have been managed, since the appointment of Joint Administrators, are set-out below.

Over the last eight weeks since appointment, it has been apparent that Administration has been the most appropriate restructuring tool. It has provided the necessary protection and stabilisation that the Company needed. The Administrators have been able to gather significant information, which will inform the next stages of the appointment.

Following appointment, immediate contact was made with the Directors of the Company and a press release was issued explaining the rationale behind the Administration process.

The following matters were also addressed in the first few days:

- Filing the notice of our appointment with the Registrar of Companies, serving formal notice on the Company and advertising our appointment in the London Gazette.
- We were required as soon as reasonably practicable after our appointment to write to all creditors of the Company notifying them of our appointment. We obtained details of the Company's creditors from the Directors and PKF and we sent formal notice to all known creditors notifying them of our appointment as Administrators on 18 August 2021.

- Shareholders were notified of the appointment on 10 August 2021.
- A specific email account ([NQmineral@btguk.com](mailto:NQmineral@btguk.com)) was set-up to deal with enquiries from stakeholders. A significant level of enquiries were received from creditors, shareholders and underlying bondholders of Audley Funding plc. These were dealt with either by a FAQ email, telephone or by specific responses depending on the enquiry received. In particular, any bondholders were requested to liaise directly with Audley Funding plc, CP Funding plc or Invenio Capital plc, depending on which entity they had invested through.
- Specific contact was made with the Directors of the main underlying subsidiaries with a view to understanding their financial positions and potential value.
- The interim CEO and CFO, Adrian Moroz, was retained for the initial month of Administration (through Grayone Limited) in order to assist with matters pertaining to the Administration and its subsidiaries.
- Australian restructuring specialists and Solicitors were instructed to review the financial positions of some of the underlying entities.
- Funding avenues were explored for the Administration.
- UK and Australian Solicitors were instructed to review the complicated security arrangements in the underlying Group structure, which would ultimately impact on ability to deal with the subsidiaries.
- The Company's accountants, PKF, were instructed to reconcile and bring up to date the Company's accounting information in order to assess, in particular, the levels of the related party debts.
- Any parties interested in the assets of the subsidiaries or re-financing/debt restructuring proposals, were noted on the systems.
- Metro Bank plc, the Company's bankers, were informed that the Company has gone into Administration and that the account should be frozen for all debits, but credits should be allowed into the account.
- Arrangements were made for the Joint Administrators' bank account to be set-up with Barclays Bank plc.
- A note was placed on the Company's website detailing that the Company had entered into Administration.
- The Aquis Stock Exchange was formally notified of the insolvency proceedings. It was noted that trading in the shares of the Company on the Exchange would continue to be suspended until further notice.
- The FCA was informed of the Administration process given the number of investors involved and an initial call was held.
- Enquiries were made of the Directors and advisors regarding the location of the Company's physical and electronic books and records.
- Questionnaires were issued to all current and former Directors (within the previous 3 years).
- The strategy regarding the Company's subsidiaries and franchises was considered and initial steps were taken to assess the best way forward in respect of each in the relevant jurisdiction.

- An application was issued for the Joint Administrators' bonds, as required by the Insolvency Practitioners Regulations 2005.
- The necessary statutory advertisement in respect of the Administration proceedings was published in the London Gazette.
- Various searches at Companies House were undertaken to obtain statutory information on the Company.
- A VAT 769 was issued notifying HMRC that the Company was in Administration.
- A request was issued to the Directors for a Statement of Affairs to be submitted.

Work undertaken by the Administrators and their staff

Attached at Appendix 1 is our account of Receipts and Payments from the commencement of Administration, 9 August 2021 to 28 September 2021.

I would comment on the account as follows:-

#### Receipts

##### Cash at Bank

The sum of £5,910 was secured from Metro Bank plc, which was held to the credit of the Company's bank account.

##### Funding from Hellyer Gold Mines Pty Ltd

In order to further the objectives of the Administration and to assist in meeting the general expenses of the Estate, the Joint Administrators entered into a funding agreement with Hellyer Gold Mines Pty Ltd on 9 August 2021. The agreement permitted an advance of US\$200,000, which was received into the Estate on 10 August 2021. These funds will need to be repaid as a cost of the Administration in the event of any realisations being made.

#### Payments

##### Professional Fees

The sum of £5,436.56 (AUS\$10,000) was paid to PKF (Gold Coast) Pty Ltd ("PKF") for bringing up to date the Company's accounting information. PKF were the Company's accountants pre-appointment and it was considered prudent to continue using their services given they had the relevant underlying information to hand. It was agreed that a fixed fee of AUS\$10,000 would be paid initially with a further AUS\$10,000 being paid on the completion of the work.

The sum of £20,000 plus VAT was paid to Grayone Limited ("Grayone"), a Company owned by Adrian Moroz for assisting the Joint Administrators in managing the affairs of Company for one month from the date of Administration, including but not limited to the following:

- Statutory and compliance matters;
- Liaison with the Company's accountants;
- Liaison with the subsidiaries and underlying lenders;
- Assisting with the sales process and/or any debt restructuring process;
- Assisting with the recovery of the related party loans; and
- Preparation of a Statement of Affairs.

The fixed fee payable was based on the previous rate charged to the Company and Grayone was chosen in this capacity given Mr Moroz's knowledge of the Company and its affairs with a view to promoting the purpose of the Administration.

#### Bank Charges

The sum of £15 has been paid in bank charges for the necessity to ensure certain payments were made on the same day.

#### Statutory Advertising

This represents the costs of publishing statutory notices in newspapers and the London Gazette in respect of the Joint Administrators' appointment.

#### Accrued Payments

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

#### Specific Bond

The Specific Bond is the cost of the insurance, based on the level of realisations by us as required by the Insolvency Practitioners Regulations 2005. The sum of £210 has been incurred in this respect.

#### Professional Fees

As detailed above, the sum of AUS\$10,000 remains outstanding to PKF. Any further payments to Grayone are subject to agreement.

Rodgers Reidy ("RR"), Insolvency Specialists in Australia were instructed to advise on the financial positions of some of the underlying subsidiaries. RR are part of the BTG Global Advisory network and were chosen in that capacity taking into account the size and complexity of the issues at hand. It is likely that the costs associated in this regard will fall on the relevant subsidiaries. However, an element of the cost could be payable at parent level.

#### IT Costs

There may be some ongoing charges levied for maintaining the Company's underlying IT resources. This may include monthly payments to Fradley Media in the sum of US\$2,000 for managing the server, email accounts, website, social media and OTC listings.

#### Legal Fees

Stephenson Harwood ("SH") has a specialist Insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues. SH charge their fees on a time costs basis. The work that they have been required to undertake has included, inter alia, the following:

- Advising on the appointment and dealing with the relevant paperwork in order to file for Administration.
- Advice in relation to funding the Administration and finalising an agreement.
- Undertaking a complicated security review across the Group in conjunction with Australian Solicitors (detailed below). This was needed to understand consent to potential sale and restructuring options at subsidiary level.
- Advice in relation to potential restructuring options and exit strategies within the Administration.

SH have provided me with a full analysis of their time, which totals £58,272 plus VAT (including £18,729 plus VAT pre-appointment). No fees have yet been paid to SH.

McCulloch Robertson ("MR"), Australian Solicitors have worked in tandem with SH regarding a review of the very complicated security structures across the Group. This was due to the fact that the majority of the underlying subsidiaries were Australian entities or assets. MR were chosen on that basis after taking into account the size and complexity of the legal issues. MR charge on the basis of time spent but the estimate was in the region of AUS\$6,000 to AUS\$8,000. These costs remain outstanding.

#### Assets yet to be realised

As detailed in the Statement of Affairs section, the majority of the Company's assets have yet to be realised due to the complexities involved.

#### Related Party Loans, Inter-Company Debts and Convertible Loan Note

PKF are still in the process of reconciling and updating the related party loan and inter-company debt positions. Once this has been concluded, the Joint Administrators will be in a position to demand repayment from the relevant parties. The Convertible Loan Note position is also being considered.

#### Investments in NQ Minerals Pty Limited and Keen Pacific Limited

The Joint Administrators are, inter alia, currently considering the following options in order to achieve the requisite objective of the Administration:

- Sale or refinancing of one or more of the immediate subsidiaries (NQ Minerals Pty Limited and Keen Pacific Limited) subject to the relevant secured consents;
- Sale or refinancing of one or more of the underlying subsidiaries or assets (under the control of the Directors of those entities) to enable funds to flow upwards to the Administration, subject to the relevant secured consents; or
- A formal restructuring at NQM level, such as a cram down of certain levels of debt incorporating a debt for equity swap, with the appropriate consent to allow a potential rescue of the Company as a going concern. This is a very complicated procedure, which would involve a number of different parties to agree, so would need funding to enable the position to be considered properly.

We have been in detailed discussions and correspondence with numerous stakeholders regarding all of these options since the inception of the Administration.

A very significant number of counterparties have expressed an interest in purchasing some or all of the assets of the Company. The complexity here is the corporate structure, as well as gaining a full understanding of the security position that exists on a corporate, as well as specific asset level. The Administrators have now received a detailed analysis of the security and are determining their strategy with regard to achieving a purpose of the Administration. Communications with interested parties and with all creditors will be key to the outcome achieved.

At this point in time, all options remain available to the Joint Administrators. Specialist valuation and marketing advice will now be taken in order to be able to communicate to all parties how the Administration will proceed.

#### Other assets

It is unlikely that a value will be secured for the Goodwill/Brand/IP etc.

A small amount of additional cash at bank should be recovered from Alpha.



## 7. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the Directors' Statement of affairs) are as follows:

### Secured creditors

There are no secured creditors registered at Companies House. However, documentation provided by certain convertible loan note holders has indicated that the notes were secured against the assets of the Company and ranked ahead of all shares in the Company. Whilst the notes do rank ahead of shareholders, we have seen no evidence to suggest that there is valid security in place and from the Company's perspective, it is understood that there was no intention to grant security to the convertible loan note holders and this may have been an administrative error.

However, this will be reviewed by Solicitors in due course depending on realisations made into the case, as certain of the CLN holders believed that security was in place.

### Preferential creditors

Given that there are no employees, there are no preferential creditors

### Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

Based on current information, it is unlikely that there will be a secondary preferential claim issued by HMRC as none of the above taxes were outstanding. It is understood that there is withholding tax due to HMRC, albeit it is understood that this will fall as an unsecured claim.

### Unsecured creditors

Claims of unsecured creditors were estimated at £102,885,404.

The position is uncertain at the moment regarding the realisation of assets into the Estate and potential restructuring options so it is difficult to assess the return to the different creditors currently. However, on the basis of realisations to date, and estimated future realisations, we estimate an outcome for each class of the Company's creditor as follows:

### Secured creditors

As detailed above, prima facie, there are no secured creditors of this Company, albeit this is subject to any future legal advice received.

### Preferential and Secondary Preferential Creditors

As detailed above, it does not appear that there are any preferential or secondary preferential creditors.

### Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were

it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. The prescribed part of the *Company's net property* is calculated by reference to a sliding scale as follows:

- ❑ 50% of the first £10,000 of net property;
- ❑ 20% of net property thereafter;
- ❑ Up to a maximum amount to be made available of £800,000

An administrator will not be required to set aside the prescribed part of net property if:

- ❑ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ❑ the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, Section 176A will not apply and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

#### Unsecured creditors

The level of any dividend to unsecured creditors will be determined by the level of realisations made.

#### Effect of administration on limitation periods under the Limitation Act 1980

As explained in our initial correspondence confirming our appointment as administrators, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

## 8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

### Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the Administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

For the reasons set out in this report, we presently consider that:

Based on current information, the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(b), namely achieving 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). Whilst it may be reasonably practicable to pursue the objective of rescuing the Company as a going concern, this is dependent on a formal restructuring process as detailed earlier in the report. This is a complicated process that would require a number of different stakeholders to be in agreement. Accordingly, this cannot be guaranteed with any certainty at the current time.

## Details of proposals

In order that the purpose of the administration may be fully achieved, we propose to remain in office as Administrators in order to conclude the realisation of the Company's assets and/or agree a restructuring process. The principal matters to deal with in this respect are:

- Finalising the reconciliation of the inter-company loans and related party loans and looking to make recoveries in respect of each.
- Achieving a sale and/or refinancing of one or more of the subsidiaries or underlying assets.
- Agreeing a formal restructuring process.
- Addressing any dealing with all post-appointment Administration expenses.
- Considering the tax implications on the sale of any assets, eg. chargeable gains.
- Dealing with the repayment of the funding from Hellyer.
- The Joint Administrators will investigate and, if appropriate, pursue any claims that the Company may have under the Companies Acts 1985 and 2006 or the Act. The Joint Administrators are required, within three months of their appointment, to submit a return to the Department for Business, Energy & Industrial Strategy on the conduct of all persons, who have acted as either Directors or Shadow Directors of the Company during the period of three years ending on the date of the Joint Administrators' appointment. To facilitate the preparation of that return and our enquiries into the Company's affairs, the Joint Administrators have already invited creditors to provide them with information on any matters of concern to the creditors.
- Acknowledging and agreeing the claims of the unsecured creditors as appropriate.

Other matters that are required to be dealt with that may not have any financial impact on the creditors are as follows:

- Quarterly case reviews and monthly bond reviews.
- Dealing with administrative taxation matters, such as VAT returns, corporation tax returns and any matters relating to withholding tax.
- Undertaking statutory reporting requirements on a 6-monthly basis and filing with the necessary authorities.
- Dealing with extensive ongoing enquiries from creditors and shareholders.
- Liaising with the FCA as appropriate.
- Dealing with all matters pertaining to the Aquis stock exchange listing.
- Dealing with ongoing press enquiries.
- Dealing with all closure formalities and final report.

Following these events we propose to exit the Administration.

## Exit from Administration

Prima facie, there are no secured creditors in this matter and that a distribution will be made to the unsecured creditors of the Company which is not a distribution of the prescribed part<sup>1</sup>.

We have the power to make a distribution of the prescribed part to unsecured creditors in the administration but any other distribution to them requires the permission of court. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning

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<sup>1</sup> Insolvency Act 1986, Sch B1, para 83(1)

a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to deliver a notice of moving from administration to creditors' voluntary liquidation to the Registrar of Companies. Upon the registration of such notice our appointment as administrators shall cease to have effect and the Company will automatically be placed into liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator.

We confirm that as part of our proposals we propose that we, or in the event of there being a subsequent change of persons appointed as administrator, the individuals in office as such immediately prior to the Company being placed into liquidation, do act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

However, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the sale or restructuring strategy or recovery funds from the related party debtors. The appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, our term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further twelve months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

If it ultimately transpires that the Company can be rescued then we propose that the Company enters into a Company Voluntary Arrangement ("CVA"). If approved as a CVA it is proposed that we will cease to act as administrators, but will act as joint supervisors of the CVA. It will be for the members and creditors of the Company to approve the CVA.

Creditors will find detailed consideration of all aspects of the CVA in the document entitled "Proposals of the Administrators for a Company Voluntary Arrangement pursuant to Part 1 of the Insolvency Act 1986 " included in the mailing with this report.

It will also need to be considered whether there is any feasibility of undertaking a formal scheme of arrangement to enable the Company to be handed back to the Directors.

## 9. PRE-ADMINISTRATION COSTS

In the period before the Company entered Administration, we carried out work consisting of assessing the financial position of the Company and advising the Board on the best course of action. This ultimately led to a formal agreement to place the Company into Administration. The Work was carried out pursuant to two engagement letters dated 6 July 2021 and 3 August 2021 ("the Agreement"). The Agreement provided for the

payment of our fees up to maximum of £25,000 plus VAT and disbursements (collectively referred to as “the pre-administration costs”) in carrying out the Work. Any further fees would be subject to further discussion and agreement.

The Work was carried out before the Company entered administration in order to assess the financial position of the Company. We consider that the Work has furthered the achievement of the objective of administration being pursued, namely achieving 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).

Stephenson Harwood also undertook work in the pre-appointment period in relation to the ultimate Directors appointment and advice on the funding agreement with Hellyer. SH’s outstanding time costs totalled £18,729 plus VAT.

An invoice in the sum of £25,000 plus VAT was raised in respect of the Work carried out by this Firm and the sum of £3,096.52 was drawn on account pre-appointment from funds in hand. The remaining pre-administration costs are unpaid and we are seeking that they be paid as an expense of the administration. Approval to discharge such costs (“the unpaid pre-administration costs”) as an expense is required from the creditors’ committee, or in the absence of a committee, or if the committee does not make a determination, by seeking decisions of creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of our proposals subject to approval.

In order to provide sufficient information to consider approval of the payment of the unpaid pre-administration costs, a document detailing the work carried out, the associated costs and the proposed remuneration is provided at Appendix 3b.

## 10. REMUNERATION AND EXPENSES

### Remuneration

We have not at this time drawn any funds on account of our remuneration, nor on account of certain expenses as approval has not previously been sought. Best practice guidance provides that payments to an office holder should be fair and reasonable and reflect the work that has been, and will be, properly carried out. The following proposal represents what we believe is a fair and reasonable fee basis, based on the work which has been carried out to date and the work which is yet to be undertaken.

We propose that the basis of our remuneration be fixed under Rule 18.16 of the Rules by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP for attending to matters as set out in the fees estimate at Appendices 3e and 3f.

It is for the creditors’ committee to approve the basis of our remuneration under Rule 18.18 of the Rules, but if no such committee is appointed it will be for the creditors to determine. We intend to deal with this by seeking decisions of creditors via correspondence.

Appendix 3 sets out our firm’s hourly charge out rates, our fees estimate and the time that we and our staff have spent in attending to matters arising in the administration since 9 August 2021.

### Expenses

We propose that expenses for services provided by our firm and/or entities within the Begbies Traynor group, be charged in accordance with our firm’s policy, details of which are set out at Appendix 3g. These expenses will be identified by us and will be payable subject to the approval of those responsible for determining the basis of our remuneration.

## Expenditure incurred to date

The expenditure incurred and paid to date has been detailed in Section 6 of the Report which was all undertaken in the interests of furthering the purpose of Administration. In particular, in respect of the payments made to Grayone and PKF, these were both necessary in order to assist with the realisation of the Company's assets.

# 11. OTHER INFORMATION TO ASSIST CREDITORS

## Report on the conduct of directors

We have a statutory duty to investigate the conduct of the Directors and any person we consider to be or have been a shadow or de facto director during the period of three years before the date of our appointment, in relation to their management of the affairs of the Company and the causes of its failure. We are obliged to submit confidential reports to the Department for Business, Energy and Industrial Strategy.

As administrators of the Company we are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to our attention any potential recoveries for the estate. If you would like to bring any such issues to our attention please do so in writing to the address detailed at Section 1 of this report. This request for information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs.

We have undertaken an initial assessment of possible actions in relation to the manner in which the business was conducted prior to the administration of the Company and potential recoveries for the estate in this respect. This has included matters raised by certain creditors and concerns raised on the following:

- the level of accumulated debt set against the levels of investment.
- The fact that certain of the underlying subsidiaries appear to be performing well and public reports were relatively positive until recently.
- The fact that investment was being secured as late as early 2021.
- The manner in which investment was secured either by loan notes, equity or underlying bonds.
- The security issue highlighted earlier in the report.
- The levels of related party loans.
- A review of alleged accounting issues. In particular, the classification of commissions as administration expenses.

## Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

## Deemed delivery

These proposals will be deemed to have been delivered on 1 October 2021.

## Use of personal information

Please note that in the course of discharging our statutory duties as Joint Administrators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

#### Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

#### Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## 12. CONCLUSION

We consider that the Company may have sufficient property to enable a distribution to the unsecured creditors, other than from the prescribed part fund of any net floating charge property, under the insolvency legislation, and we are therefore required to seek a decision from the Company's creditors as to whether they approve our proposals. This decision will be sought via the deemed consent procedure and a notice of the decision sought is accompanying this document.

Unless 10% in value of the Company's creditors object to the approval of our proposals via the deemed consent procedure, then the creditors will be treated as having made the proposed decision to approve our proposals.

Subject to the approval of our proposals we will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner.



Paul Cooper  
Joint Administrator

Date: 29 September 2021

NQ MINERALS PLC  
IN ADMINISTRATION  
RECEIPTS & PAYMENTS ACCOUNT  
FOR THE PERIOD FROM 9 AUGUST 2021 TO 29 SEPTEMBER 2021

	Book Values per	Directors'	Realisations/Payments	
		Estimated to realise		
	ESOA	values at 9 Aug 21	£	Cumulative/£
		£		
<u>Assets (not-specifically pledged)</u>				
Realisations				
Goodwill/Brand & IP	Nil	Nil	Nil	
Investments	28,089,000.00	Uncertain	Nil	
Convertible Loan Notes	617,000.00	Uncertain	Nil	
Related Party Loans	1,292,129.00	Uncertain	Nil	
Inter-Company Debtors	3,430,000.00	Uncertain	Nil	
Cash at Bank	<u>9,261.00</u>	<u>9,261.00</u>	5,909.74	
Funding from Hellyer Gold Mines Pty Ltd			142,429.85	
Bank Interest			<u>Nil</u>	<u>148,339.59</u>
Payments				
Professional Fees			25,436.56	
Bank Charges			15.00	
Statutory Advertising			<u>99.45</u>	<u>25,551.01</u>
Realisations less Payments				<u>122,788.58</u>
Represented by				
Current Account				118,768.69
VAT Receivable				<u>4,019.89</u>
				<u>122,788.58</u>



## Rule 3.30

## Statement of affairs

Name of Company:  
Nq Minerals Plc

Company number:  
09540926

In the: High Court of Justice  
[full name of court]

Court case number: 1434  
of 2021

(a) Insert name and address  
of registered office of the  
Company

Statement as to the affairs of (a) Nq Minerals Plc – in Administration, 29th Floor, 40 Bank Street, London, E14 5NR

(b) Insert date

on the (b) 9 August 2021, the date that the company entered administration.

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### Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 9 August 2021, the date that the company entered administration. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.

Full name: **Adrian Moroz**



Signed: \_\_\_\_\_

Dated: 31/08/2021

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Assets subject to floating charge:		
Uncharged assets:		
Goodwill/Brand and intellectual Property	Nil	Nil
Investments:		
NQ Minerals Pty Ltd	20,796,000	Uncertain
Keen Pacific Limited	7,293,000	Uncertain
Convertible Loan Notes - TEM	617,000	Uncertain
Related Party Loans	1,292,129	Uncertain
Intercompany Debtors		
NQ Minerals Pty Ltd	2,870,000	Uncertain
Pieman Resources Pty Ltd	538,000	Uncertain
Circle Resources Pty Ltd	112,000	Uncertain
Cash at Bank	9,261	9,261
Estimated total assets available for preferential creditors	33,527,390	9,261

Signature \_\_\_\_\_ Date: \_\_\_\_\_

31/08/2021

## A1 – Summary of Liabilities

		Estimated to realise £
<b>Estimated total assets available for preferential creditors (carried from page A)</b>	£	<b>9,261</b>
<b>Liabilities</b>	£	<b>Nil</b>
Preferential creditors:-		
<b>Estimated deficiency/surplus as regards preferential creditors</b>	£	<b>9,261</b>
Estimated prescribed part of net property where applicable (to carry forward)	£	<b>Nil</b>
<b>Estimated total assets available for floating charge holders</b>	£	<b>9,261</b>
Debts secured by floating charges	£	<b>Nil</b>
<b>Estimated deficiency/surplus of assets after floating charges</b>	£	<b>9,261</b>
Estimated prescribed part of net property where applicable (brought down)	£	<b>Nil</b>
<b>Total assets available to unsecured creditors</b>	£	<b>9,261</b>
HMRC	- 1,485,439	Uncertain
Financial Liabilities:		
Audley Funding Plc	- 65,140,125	Uncertain
Invenio	- 1,154,898	Uncertain
CP Funding 1 Plc	- 1,262,877	Uncertain
Convertible Loan Notes	- 8,544,698	Uncertain
Loan Notes	- 3,418,015	Uncertain
Royalty payables	- 3,053,626	Uncertain
Trade creditors	- 1,601,567	Uncertain
Intercompany Creditor:		
HGM Pty Ltd	- 15,543,216	Uncertain
Streaming liabilities	- 399,744	Uncertain
Tasmanian State Government	- 281,199	Uncertain
Share based payments liability	- 1,000,000	Uncertain
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	- <b>102,885,404</b>	
Employees/ex employees count = Nil		
Consumer creditors count = LN (95), CLN (199)		
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)</b>	-102,876,143	
Shortfall to floating charge holders (brought down)		<b>Nil</b>

**Estimated deficiency/surplus as regards creditors**

**-102,876,143**

Issued and called up capital

547,161

**Estimated total deficiency/surplus as regards members**

**-102,328,982**



Signature \_\_\_\_\_

Date:

31/08/2021

# COMPANY TRADE CREDITORS

**Note:** You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value
Audley Funding PLC - GBP nominal	1 Bedford Row, London, WC1R 4BZ	39,801,434.00	Unsecured	N/A	N/A
Audley Funding PLC - USD nominal	1 Bedford Row, London, WC1R 4BZ	28,242,139.01	Unsecured	N/A	N/A
Audley Funding PLC - EUR nominal	1 Bedford Row, London, WC1R 4BZ	4,722,737.68	Unsecured	N/A	N/A
Invenio	1 Bedford Row, London, WC1R 4BZ	1,154,898.00	Unsecured	N/A	N/A
CP Funding 1 PLC - USD nominal	1 Bedford Row, London, WC1R 4BZ	662,877.00	Unsecured	N/A	N/A
CP Funding 1 PLC - GBP nominal	1 Bedford Row, London, WC1R 4BZ	600,000.00	Unsecured	N/A	N/A
Eldorado Mining Limited - Royalty	Marktgass 11, VADUZ LI-9490, Liechtenstein	3,053,626.00	Unsecured	N/A	N/A
Trade Creditors	Various	1,601,566.80	Unsecured	N/A	N/A
RCA NQ LLC	301 Battery Street, San Francisco, CA 94111 USA	327,114.86	Unsecured	N/A	N/A
Rivi Opportunity Fund LP	888 San Clemente Drive, Newport Beach, CA 92660 USA	72,628.95	Unsecured	N/A	N/A
Construction Equipment Finance Limited	10/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong	1,000,000.00	Unsecured	N/A	N/A
HMRC	HMRC	1,485,439.41	Unsecured	N/A	N/A
Tasmania State Government	Tasmanian State Government	339,199.09	Unsecured	N/A	N/A
Loan Note Holders	Various	3,418,015.04	Unsecured	N/A	N/A
Convertible Note Holders	Various	8,544,697.99	Unsecured	N/A	N/A
Hellyer Gold Mines	NQ Intercompany	15,543,216.34	Unsecured	N/A	N/A
Employees/ex-employees	c/o	Nil			



Signature \_\_\_\_\_ Date: 31/08/2021

**COMPANY EMPLOYEES/EX EMPLOYEES**

**Note:** Although the total number of ex employees/employees and their global amounts outstanding to them are detailed in the main list of creditors, the specific information in relation to these creditors must be included in this schedule.

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
N/A					



Signature \_\_\_\_\_

Date:

31/08/2021

**COMPANY CONSUMER CREDITORS**


Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Loan Note Holders (95)	Various	3,418,015.04	Unsecured	N/A	N/A
Convertible Note Holders (199)	Various	8,544,697.99	Unsecured	N/A	N/A



Signature \_\_\_\_\_ Date: 31/08/2021

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
240 Shareholders	Various	547,161,038	19,150,636	
TOTALS		547,161,038	19,150,636	

  
Signature\_\_\_\_\_

Date: 31/08/2021



## Rule 3.31

## Statement of Concurrence

In the High Court of Justice

No. 1434 of 2021

**Nq Minerals Plc**  
**09540926**

With regards to the Statement of Affairs of:  
Nq Minerals Plc  
(‘the company’)

made on 31/08/2021

by Adrian Moroz

Statement of Truth

I, concur with the Statement of Affairs of the above company, subject to the following qualifications

1. CLN & LN noteholders list has not been fully reconciled as at the 31<sup>st</sup> August as such it is immaterially incorrect
2. Most balances, but primarily trade creditors have not been fully reconciled as at 31<sup>st</sup> August, as such it is immaterially incorrect.

and believe that, subject to these qualifications, the facts stated in the statement of affairs are a full, true and complete statement of the affairs of the company on the date that it entered administration. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement in a document verified by a statement of truth without an honest belief in its truth.”

Signed



Date

31/08/2021

Name in BLOCK LETTERS

Adrian Moroz

Begbies Traynor (London) LLP  
 Nq Minerals Plc  
 Company Registered Number: 09540926  
 B - Company Creditors

Key	Name	Address	£
CA00	Audley Funding Plc	c/o 1 Bedford Row, London, WC1R 4BZ	72,766,311.00
CA01	Aquis Stock Exchange	77 Cornhill, London EC3V 3QQ	1,200.00
CB00	B Walsh Consultancy	43 Berkeley Square, Mayfair, London W1K 5AP	7,000.00
CB01	Bedford Row Capital Advisers Ltd	valeria@bedfordrowcapital.com	10,000.00
CC00	CP Funding 1 Plc	c/o 1 Bedford Row, London, WC1R 4BZ	1,262,877.00
CC01	Carpe DM Consulting	20 Stanie Glen Road, Watchung, NJ 07069, New Jersey, USA	94,088.00
CC02	Charles Stephenson	cs@cegcap.com	7,351.00
CC03	Commodity and Mining Insight Ltd	2nd Floor, 167-169 Great Portland Street, London W1W 5PF	34,720.00
CC04	Corporate Advisory Partner Pty Ltd	Level 3/349 Coronation Drive, Milton QLD 4064, Australia	4,364.00
CC08	Construction Equipment Finance Limited	10/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong	1,000,000.00
CD01	DAC Beachcroft	Portwall Place, Portwall Lane, Bristol BS1 9HS	68,334.00
CD02	DGWA	Kaiserhofstraße 13, 60313 Frankfurt am Main, Germany	10,648.00
CE00	Eldorado Mining Ltd	Marktgass 11, VADUZ LI-9490, Liechtenstein	41,891.00
CE09	Eldorado Mining Ltd - Royalty	Marktgass 11, Vaduz LI-9490, Liechtenstein	3,053,626.00
CH01	HM Revenue & Customs	Debt Management, BX9 1EE	1,485,439.00
CH02	Hellyer Gold Mines Pty Ltd	Cradle Mountain Link Road, Waratah, Tasmania 7321, Australia	15,543,216.00
CH07	Hermoine	43 Berkeley Square, Mayfair, London, W1K 5AP	355,888.00
CI00	Invenio Capital	7 Bell Yard, London, WC2A 2JR	1,154,898.00
CI02	Insurecap Limited	Wesley Offices, 74 SilverStreet, Nailsea, Bristol BS48 2DS	1,501.00
CM01	Maps Hotels and Resorts Sydney 1 Pty Ltd	199 George Street, Sydney, NSW 2000, Australia	740.00
CM02	McCullough Robertson Lawyers	Level 11, 66 Eagle Street, Brisbane QLD 4000, Australia	104,217.00
CM03	Miriad Ltd	7/2 Cleveland Gardens, London W2 6HA	1,200.00
CM04	Movebo	Mlynarska 6/48, 05-500 Piaseczno, Poland	391.00
CN00	Rikki Nicholls	Villa 15, Street 4, Saheel 2, Arabian Ranches, Dubai UAE	2,310.00
CP02	PKF Accountants Gold Coast	Level 6, RSL Centre, 9 Beach Road, Surfers Paradise QLD 4217, Australia	35,173.00
CR03	RCA NQ LLC	301 Battery Street, San Francisco, CA 94111 USA	327,115.00
CR04	Rivi Opportunity Fund LP	888 San Clemente Drive, Newport Beach, CA 92660 USA	72,629.00
CS05	Sanjeev Ratra	939 Hornby Street, Vancouver BC V6Z 1V3, Canada	20,737.00
CS06	Sovereign Resources	Nicolae Radian, Nr.3A, Spa?iul Nr.59, Etaj 5, Târgovi?te, Dâmbovi?a, Romania	456.00

Begbies Traynor (London) LLP  
Nq Minerals Plc  
Company Registered Number: 09540926  
B - Company Creditors

Key	Name	Address	£
CT03	Tasmania State Government		339,199.00
30 Entries Totalling			97,807,519.00

Begbies Traynor (London) LLP  
Nq Minerals Plc  
Register of Shareholders

Key	Name	Pref	No of Shares		Other	Total
			Ordinary			
H 00	Able Body Company Limited	0.00	142,857.00		0.00	142,857.00
HA01	Agio Capital Corporation Limited	0.00	11,000,000.00		0.00	11,000,000.00
HA03	Alpha Prime Group Limited	0.00	2,883,097.00		0.00	2,883,097.00
HA04	Alpha Prime Group Limited	0.00	639,941.00		0.00	639,941.00
HA06	Antin Nominees Limited	0.00	380.00		0.00	380.00
HA07	Asco Nominees Limited	0.00	872,528.00		0.00	872,528.00
HA08	Aurora Nominees Limited	0.00	407,500.00		0.00	407,500.00
HB00	B & V Hookway Superannuation Fund Limited	0.00	340,000.00		0.00	340,000.00
HB01	Bankamerica Nominees Limited	0.00	276,462.00		0.00	276,462.00
HB02	Barclays Direct Investing Nominees Limited	0.00	2,053,559.00		0.00	2,053,559.00
HB06	Blossim Pty Limited	0.00	562,500.00		0.00	562,500.00
HB07	Blue Doe Gold Plc	0.00	1.00		0.00	1.00
HB08	Bny /Nominees/ Limited	0.00	169,900.00		0.00	169,900.00
HB09	Bofa Securities Inc	0.00	4,146.00		0.00	4,146.00
HC02	Canaccord Nominees Limited	0.00	157,817.00		0.00	157,817.00
HC04	Castle Trust & Management Services Limited	0.00	7,251.00		0.00	7,251.00
HC05	Cgwl Nominees Limited	0.00	1,359,500.00		0.00	1,359,500.00
HC07	Chase Nominees Limited	0.00	807,227.00		0.00	807,227.00
HC09	Cheviot Capital /Nominees/ Limited	0.00	93,450.00		0.00	93,450.00
HC0G	Cmfx Trading Limited	0.00	769,231.00		0.00	769,231.00
HC0J	Criterion Properties Limited	0.00	233,171.00		0.00	233,171.00
HC0K	Criterion Properties Limited	0.00	374,767.00		0.00	374,767.00
HD03	D Super Pty Limited	0.00	506,604.00		0.00	506,604.00
HE00	East End Limited	0.00	378,139.00		0.00	378,139.00
HE01	Embark Investment Services Nominees Limited	0.00	431,339.00		0.00	431,339.00
HE02	Ener-B Corporation Limited	0.00	2,196,224.00		0.00	2,196,224.00
HE03	Environmental Research Corporation Limited	0.00	5,000,000.00		0.00	5,000,000.00
HE04	Estor Pty Limited	0.00	2,005,714.00		0.00	2,005,714.00
HE06	Euroclear Nominees Limited	0.00	22,000.00		0.00	22,000.00
HF01	Ferlim Nominees Limited	0.00	1,325,000.00		0.00	1,325,000.00
HF06	Fundsdirect Nominees Limited	0.00	9,300,137.00		0.00	9,300,137.00
HG00	Gardiner Holding Wa Pty Limited	0.00	294,118.00		0.00	294,118.00
HG03	Goldman Sachs Securities /Nominees/ Limited	0.00	114,966.00		0.00	114,966.00
HH01	Hargreaves Lansdown /Nominees/ Limited	0.00	28,035,731.00		0.00	28,035,731.00
HH04	Hartley Pensions Trustees Limited	0.00	44,825.00		0.00	44,825.00
HH06	Hemoor Holdings Limited	0.00	166,667.00		0.00	166,667.00
HH09	Hsbc Global Custody Nominee /Uk/ Limited	0.00	633,892.00		0.00	633,892.00
HI01	Interactive Investor Services Nominees Limited	0.00	4,720,648.00		0.00	4,720,648.00
HJ00	J & D Wylie Super Pty Limited	0.00	58,824.00		0.00	58,824.00
HJ04	James Brearley Crest Nominees Limited	0.00	2,731,523.00		0.00	2,731,523.00
HJ08	Jim Nominees Limited	0.00	35,440,546.00		0.00	35,440,546.00
HK01	Kiwoz Limited	0.00	41,567,521.00		0.00	41,567,521.00
HK02	Kqn Capital Limited	0.00	555,000.00		0.00	555,000.00
HL01	Lawshare Nominees Limited	0.00	625,138.00		0.00	625,138.00
HL02	Libcap Nominees Limited	0.00	15,000.00		0.00	15,000.00
HL05	Lynchwood Nominees Limited	0.00	1,345,000.00		0.00	1,345,000.00
HM02	Mcaf Nqm Nominees Limited	0.00	19,800,000.00		0.00	19,800,000.00
HH07	Miss Clair Elizabeth Holden	0.00	18,250.00		0.00	18,250.00
HH0B	Miss Kathleen Mary Hugill	0.00	83,333.00		0.00	83,333.00
HH0A	Miss Yvonne Hughes	0.00	851,410.00		0.00	851,410.00

Begbies Traynor (London) LLP  
Nq Minerals Plc  
Register of Shareholders

Key	Name	Pref	No of Shares		Other	Total
			Ordinary			
HM0A	Morgan Stanley Client Securities Nominees Limit	0.00	189,500.00		0.00	189,500.00
HJ09	Mr Adam Johnson	0.00	285,714.00		0.00	285,714.00
HL04	Mr Adam Llambias	0.00	437,500.00		0.00	437,500.00
HJ06	Mr Adil Jetha	0.00	150,000.00		0.00	150,000.00
HW0A	Mr Adrian Wood	0.00	285,714.00		0.00	285,714.00
HC03	Mr Aiden Carr	0.00	225,274.00		0.00	225,274.00
HP0A	Mr Andres Enrique Romero Portillo	0.00	66,666.00		0.00	66,666.00
HS0A	Mr Andrew Shehan	0.00	8,333.00		0.00	8,333.00
HM06	Mr Austin Mckelvie	0.00	1.00		0.00	1.00
HI02	Mr Billy Ming Chung Ip	0.00	750,000.00		0.00	750,000.00
HC06	Mr Boni Ying Chung	0.00	75,000.00		0.00	75,000.00
HS0G	Mr Brendan Stafford	0.00	142,857.00		0.00	142,857.00
HM09	Mr Brian Morgan	0.00	142,857.00		0.00	142,857.00
HW06	Mr Christopher Wilson	0.00	29,412.00		0.00	29,412.00
HO00	Mr Darren O'Connor	0.00	73,334.00		0.00	73,334.00
HZ00	Mr Dave Zes	0.00	15,000.00		0.00	15,000.00
HG04	Mr David Green	0.00	150,000.00		0.00	150,000.00
HI00	Mr David Imperato	0.00	307,692.00		0.00	307,692.00
HM0B	Mr David Moseley	0.00	71,429.00		0.00	71,429.00
HS02	Mr David Sands	0.00	100,000.00		0.00	100,000.00
HS05	Mr Deryk Scott	0.00	490,000.00		0.00	490,000.00
HD01	Mr Dion Dredge	0.00	85,000.00		0.00	85,000.00
HJ07	Mr Fayaz Jetha	0.00	200,000.00		0.00	200,000.00
HE05	Mr Frank Eul	0.00	36,667.00		0.00	36,667.00
HM0D	Mr Ganapathay Murugesan	0.00	71,428.00		0.00	71,428.00
HM04	Mr Gerard McCloskey	0.00	357,142.00		0.00	357,142.00
HC0I	Mr Gordon Crisp	0.00	285,714.00		0.00	285,714.00
HJ02	Mr Harish Jagatia	0.00	76,923.00		0.00	76,923.00
HB04	Mr James Beattie	0.00	183,336.00		0.00	183,336.00
HS03	Mr James Sands	0.00	100,000.00		0.00	100,000.00
HB0D	Mr Jamie Byrne	0.00	142,857.00		0.00	142,857.00
HJ0A	Mr Jason Alan Juillerat	0.00	166,667.00		0.00	166,667.00
HC08	Mr Jay Chen	0.00	1,454,106.00		0.00	1,454,106.00
HB0A	Mr Jeffrey Brown	0.00	142,857.00		0.00	142,857.00
HD00	Mr Joel Dixon	0.00	461,538.00		0.00	461,538.00
HA02	Mr John Airey	0.00	135,714.00		0.00	135,714.00
HH0D	Mr John Hunt	0.00	154,002.00		0.00	154,002.00
HM0C	Mr John Murrie	0.00	500,000.00		0.00	500,000.00
HR08	Mr John Rogers	0.00	100,000.00		0.00	100,000.00
HH0E	Mr Justin Hurley	0.00	76,923.00		0.00	76,923.00
HS0B	Mr Justin Sirrell	0.00	58,824.00		0.00	58,824.00
HC0C	Mr Kantilal Chohan	0.00	71,429.00		0.00	71,429.00
HP08	Mr Keith Peters	0.00	71,428.00		0.00	71,428.00
HC0L	Mr Kelvin Curran	0.00	36,667.00		0.00	36,667.00
HF02	Mr Leonard Fintham	0.00	221,428.00		0.00	221,428.00
HC0E	Mr Lonut Cirdei	0.00	100,000.00		0.00	100,000.00
HS04	Mr Malcolm Saunders	0.00	242,856.00		0.00	242,856.00
HQ01	Mr Marco Quiroga	0.00	184,615.00		0.00	184,615.00
HG01	Mr Mark Garnham	0.00	504,000.00		0.00	504,000.00
HR06	Mr Mark Robinson	0.00	230,769.00		0.00	230,769.00

Begbies Traynor (London) LLP  
Nq Minerals Plc  
Register of Shareholders

Key	Name	Pref	No of Shares		Other	Total
			Ordinary			
HT05	Mr Mark Trice	0.00	57,143.00		0.00	57,143.00
HS0E	Mr Martin Snow	0.00	138,096.00		0.00	138,096.00
HW09	Mr Matthew Winters	0.00	142,857.00		0.00	142,857.00
HB03	Mr Max Barker	0.00	65,714.00		0.00	65,714.00
HF03	Mr Michael Flood	0.00	18,334.00		0.00	18,334.00
HM03	Mr Michael Joghna Mccahill	0.00	1,000,000.00		0.00	1,000,000.00
HM05	Mr Michael Mcgeady	0.00	22,000.00		0.00	22,000.00
HP04	Mr Michael Pendlebury	0.00	42,857.00		0.00	42,857.00
HS00	Mr Michael Sabol	0.00	50,000.00		0.00	50,000.00
HJ05	Mr Najmudin Jesani	0.00	100,000.00		0.00	100,000.00
HK00	Mr Nathalal Kerai	0.00	142,857.00		0.00	142,857.00
HC01	Mr Niall Campbell	0.00	285,714.00		0.00	285,714.00
HC0F	Mr Nigel A Clark	0.00	350,000.00		0.00	350,000.00
HT06	Mr Nigel Turnbull	0.00	225,274.00		0.00	225,274.00
HW01	Mr Nigel Wardley	0.00	2,671,428.00		0.00	2,671,428.00
HP02	Mr Patrick Palmer	0.00	58,824.00		0.00	58,824.00
HC00	Mr Paul Christopher Cabalzar	0.00	214,800.00		0.00	214,800.00
HM07	Mr Paul Mckenzie	0.00	357,142.00		0.00	357,142.00
HB05	Mr Peter Belinskis	0.00	18,750.00		0.00	18,750.00
HH00	Mr Peter Harding	0.00	140,000.00		0.00	140,000.00
HC0D	Mr Pritesh Chohan	0.00	71,429.00		0.00	71,429.00
HP00	Mr Raffaele Padula	0.00	71,429.00		0.00	71,429.00
HV01	Mr Rakesh Vinayak	0.00	1,428,571.00		0.00	1,428,571.00
HP01	Mr Ralph Pahnke	0.00	450,000.00		0.00	450,000.00
HF00	Mr Richard Francis Felipes	0.00	58,900.00		0.00	58,900.00
HJ01	Mr Roger Alan Jackson	0.00	1,927,126.00		0.00	1,927,126.00
HH02	Mr Ross Harjani	0.00	66,667.00		0.00	66,667.00
HH03	Mr Roy Harrison	0.00	214,286.00		0.00	214,286.00
HS08	Mr Sami Shamat	0.00	2,750,000.00		0.00	2,750,000.00
HM01	Mr Samuel Maurer	0.00	29,412.00		0.00	29,412.00
HB0B	Mr Simon Mark Francis Browne	0.00	1,666,667.00		0.00	1,666,667.00
HW03	Mr Steve White	0.00	166,667.00		0.00	166,667.00
HS0F	Mr Steven Spinks	0.00	214,285.00		0.00	214,285.00
HA05	Mr Stewart Andrew	0.00	350,000.00		0.00	350,000.00
HS0I	Mr Stuart Starkey	0.00	153,846.00		0.00	153,846.00
HW0C	Mr Stuart Wylie	0.00	108,824.00		0.00	108,824.00
HL00	Mr Teagan Lattey	0.00	25,000.00		0.00	25,000.00
HP06	Mr Theo Perry	0.00	69,614.00		0.00	69,614.00
HM08	Mr Tony Mitchell	0.00	142,857.00		0.00	142,857.00
HW00	Mr Trevor Wardle	0.00	58,824.00		0.00	58,824.00
HR0C	Mr Tye Russel	0.00	11,765.00		0.00	11,765.00
HC0H	Mr William Corbishley	0.00	242,857.00		0.00	242,857.00
HG02	Mr William Gibson	0.00	285,714.00		0.00	285,714.00
HL03	Mrs Jean Lines	0.00	83,333.00		0.00	83,333.00
HD02	Mrs Melissa Dredge	0.00	58,824.00		0.00	58,824.00
HN00	Mrs Rosemin Nanji	0.00	125,000.00		0.00	125,000.00
HR0B	Mrs Stevie Russell	0.00	375,508.00		0.00	375,508.00
HF04	Ms Aimee Ayn Freeding	0.00	980,132.00		0.00	980,132.00
HR05	Ms Amy Roberts	0.00	307,692.00		0.00	307,692.00
HH08	Ms Angela Howell	0.00	71,429.00		0.00	71,429.00

Begbies Traynor (London) LLP  
Nq Minerals Plc  
Register of Shareholders

Key	Name	Pref	No of Shares		Other	Total
				Ordinary		
HO01	Ms Belinda Osborn	0.00		42,857.00	0.00	42,857.00
HC0B	Ms Bhanubhai Chohan	0.00		71,429.00	0.00	71,429.00
HW08	Ms Carol Winters	0.00		142,857.00	0.00	142,857.00
HH0C	Ms Deborah Humphries	0.00		8,334.00	0.00	8,334.00
HC0A	Ms Gertrude Chikwanda	0.00		142,857.00	0.00	142,857.00
HH05	Ms Gina Haynes	0.00		71,428.00	0.00	71,428.00
HM00	Ms Heidi Mashman	0.00		41,667.00	0.00	41,667.00
HT02	Ms Julie Thomlinson	0.00		571,428.00	0.00	571,428.00
HJ03	Ms Madhavi Jagatia	0.00		100,000.00	0.00	100,000.00
HR03	Ms Pauline Riddles	0.00		71,429.00	0.00	71,429.00
HF05	Ms Racquel De Freitas	0.00		107,898.00	0.00	107,898.00
HB0C	Ms Saima Butt	0.00		71,429.00	0.00	71,429.00
HS0J	Ms Susan Harrison - Sturt	0.00		142,857.00	0.00	142,857.00
HW05	Ms Susan Willmott	0.00		142,857.00	0.00	142,857.00
HS01	Ms Tara Sakoor	0.00		142,857.00	0.00	142,857.00
HP03	Peel Hunt Holdings Limited	0.00		4,105,730.00	0.00	4,105,730.00
HP05	Perennial Enterprise Pty Limited	0.00		1,357,143.00	0.00	1,357,143.00
HP07	Pershing Nominees Limited	0.00	123,334	137.00	0.00	123,334,137.00
HS0C	Personal Representative of Martin Smith	0.00		27,500.00	0.00	27,500.00
HP09	Platform Securities Nominees Limited	0.00		8,883,126.00	0.00	8,883,126.00
HP0B	Puma Nominees Limited	0.00		1,276,751.00	0.00	1,276,751.00
HQ00	Qandesta Limited	0.00		333,333.00	0.00	333,333.00
HR00	R And M Stidwill Nominees Pty Limited	0.00		1,000,000.00	0.00	1,000,000.00
HR01	Redmayne /Nominees/ Limited	0.00		3,259,296.00	0.00	3,259,296.00
HR02	Reyker Nominees Limited	0.00		51,035.00	0.00	51,035.00
HR04	Riverfort Global Capital Limited	0.00		294,118.00	0.00	294,118.00
HR07	Rock /Nominees/ Limited	0.00		1,967,032.00	0.00	1,967,032.00
HR09	Rowanmoor Trustees Limited Re Banton M0005	0.00		3,712.00	0.00	3,712.00
HR0A	Roy Nominees Limited	0.00		800.00	0.00	800.00
HS06	Securities Services Nominees Limited	0.00	100,052	104.00	0.00	100,052,104.00
HS07	Seguro Nominees Limited	0.00		40,000.00	0.00	40,000.00
HS09	Share Nominees Limited	0.00		5,194,224.00	0.00	5,194,224.00
HS0D	Smith & Williamson Nominees Limited	0.00		200,000.00	0.00	200,000.00
HS0H	St Anns Square Nominees Limited	0.00		183,336.00	0.00	183,336.00
HT00	The Bank Of New York /Nominees/ Limited	0.00		2,302,200.00	0.00	2,302,200.00
HT01	Thomas Grant And Company Nominees Limited	0.00		150,000.00	0.00	150,000.00
HT03	Thomlinson Kiddle Associates Limited	0.00		142,857.00	0.00	142,857.00
HT04	Transact Nominees Limited	0.00		157,348.00	0.00	157,348.00
HA00	Victor Agar	0.00		29,334.00	0.00	29,334.00
HV00	Vidacos Nominees Limited	0.00	61,311	706.00	0.00	61,311,706.00
HW02	Wealth Nominees Limited	0.00		310,116.00	0.00	310,116.00
HW04	Wicks Capital Pty Limited	0.00		58,824.00	0.00	58,824.00
HW07	Winterflood Securities Limited	0.00		18,285,137.00	0.00	18,285,137.00
HW0B	Wyi Investments Pty Limited	0.00		437,500.00	0.00	437,500.00
194 Entries Totalling		0.00		547,161,038.00	0.00	547,161,038.00

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

This note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 disbursements (approval not required) - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 disbursements (approval required) - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- ❑ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £150 per meeting;
- ❑ Car mileage is charged at the rate of 45 pence per mile
- ❑ Storage of books and records (when not chargeable as a Category 1 disbursement) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1



Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- Telephone and facsimile
- Printing and photocopying
- Stationery

#### BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the London office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 March 2019 – until further notice
Consultant/Partner	645
Director	515
Senior Manager	440
Manager	410
Assistant Manager	315
Senior Administrator	290
Administrator	220
Trainee Administrator	160
Support	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

## DETAILS OF THE WORK CARRIED OUT PRE ADMINISTRATION, THE ASSOCIATED COSTS AND THE PROPOSED REMUNERATION FOR THE WORK

CASE NAME: Nq Minerals Plc

CASE TYPE: ADMINISTRATION

OFFICE HOLDERS: Paul Cooper and Paul Robert Appleton

DATE OF APPOINTMENT: 9 August 2021

### 1 CASE OVERVIEW

1.1 This overview is intended to provide sufficient information to enable the body responsible for the approval of pre-administration costs to consider the level of those costs in the context of the case.

#### 1.2 Time costs information

The pre appointment fee basis has been reached by considering the work undertaken and applying a considered value to it. All work carried out was initially necessary to assess the financial position of the Company and subsequently in order to prepare for, and to proceed towards the administration appointment.

Best practice guidance directs the office holder to provide details of any 'direct costs' which are included within the fixed fee. I can confirm that there are no direct costs included. All expenses are listed separately for transparency purposes, and approval is sought where necessary prior to discharging those expenses, (which will be properly incurred and directly attributable to the case).

Full details of the work undertaken by the administrators and their staff prior to appointment are set out below and in the Administrators' Statement of Proposals.

#### 1.3 Overview of work undertaken prior to appointment

The level of work undertaken prior to appointment has been detailed at Sections 4 and 9 in the Report.

#### 1.4 Complexity of work undertaken prior to appointment

The level of work was complex due to the number of underlying subsidiaries, the work they undertake and the security structures in place across the Group. The nature and number of the creditors also required a more detailed understanding.

#### 1.5 Exceptional responsibilities

Assessing the complicated security structure and its relationship to UK restructuring proceedings. In addition, obtaining the appropriate levels of funding from the relevant sources.

#### 1.6 **The proposed Administrators'** effectiveness

The proposed Administrators' effectiveness was explaining to the Board the current financial position of the Company and the various options available to them in order for them to make an informed decision.

1.7 The views of the creditors

It is understood that certain underlying secured creditors were consulted on the proposed appointment.

1.8 Approval of fees, and expenses incurred in the period prior to appointment

The Administrators are seeking a resolution in relation to their pre-administration costs as follows:

“that the unpaid pre-administration costs detailed in the joint administrators’ Statement of Proposals for achieving the purpose of administration, be approved for payment.”

1.9 Expenses incurred in the period prior to appointment where payment is proposed to be made to Begbies Traynor and/or another entity with Begbies Traynor Group

N/a

1.10 Other professionals employed & their costs

Stephenson Harwood (“SH”) has a specialist Insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues. They have extensive experience with dealing with complex Administration appointments and we were aware that this assignment would be complicated.

The level of pre-appointment costs that require authorisation total £18,729 plus VAT.

1.11 Staffing and management

The case required a team of 4 staff members thus far to deal with it.

**2 EXPLANATION OF OFFICE HOLDERS’ CHARGING POLICY**

2.1 Begbies Traynor (London) LLP’s policy for charging fees and expenses incurred by office holders is attached at Appendix 3(a).

## Nq Minerals Plc

## SUMMARY OF WORK TO BE UNDERTAKEN, PAYMENTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached at Appendix 3(d), is intended to provide sufficient information to enable the body responsible for the approval of our fees and the payment of certain expenses to make an informed judgement about the reasonableness of our request for approval of the same.

What work has been done since we were appointed, why was that work necessary and what has been the financial benefit (if any) to creditors?

To assist creditors we have used the headings from our Fees Estimate and Time Costs Analysis attached, to categorise the work that has been and will be undertaken in the administration.

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 3(d). The detail below should be read in conjunction with the matters highlighted in the report mainly in Sections 5 and 6.

General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case we will form a strategy for how the case will be managed. This will take into consideration the level of assets to be realised, how those assets will be realised, and whether there will be sufficient realisations to make a distribution to the Company's creditors.

The case will be subject to regular reviews to ensure case progression and the files will be kept up to date.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the joint administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

### Investigations

Within three months of our appointment, we are required to submit an online conduct report in accordance with the Company Directors Disqualification Act. In order to fulfil this duty, we will seek to recover the Company books and records, both hard copy and electronic, from the directors in order to carry out our investigations. Any person who is or has been a director, or is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with our investigations.

We have a duty to examine the conduct of the Company and its directors in order to identify what assets may be available for realising, including any actions against directors or other parties which may lead to further recoveries into the estate. Such investigations may include analysis of the Company's bank statements, reviewing information provided by third parties and analysis of the Company's management accounting systems.

Where appropriate creditors or other parties may be asked to come forward with information.

Whilst our investigations are at an early stage, these may potentially uncover possible actions which could be brought for the benefit of creditors. Depending on these investigations and avenues of recovery, there is the possibility that creditors may need to approve a further estimate because of the likely time/cost of investigations.

Any financial benefit to creditors in carrying out the above work is unclear at present, however creditors will receive updates on these matters in our progress reports.

### Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this we may need to consider instructing professional agents to carry out negotiations, provide inventories and valuations. We may also need to instruct solicitors to complete sales. We may need assistance with debt collection exercises.

All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of the creditors generally.

The details of the asset realisations and sales process has been highlighted in detail in the proposals in Section 6.

### *Dealing with all creditors' claims (including employees), correspondence and distributions*

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in our initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case.

Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on.

The government will initially review and make payment of the claims of the employees, (up to their maximum allowances), and any shortfall on those claims will be a claim in the insolvency proceedings.

In this case we have a significant number of different types of unsecured creditors. An extensive amount of time has and will be spent dealing with all creditor queries as and when required.

Other matters which include, seeking decisions from creditors (via DCP and/or via Decision Procedures), tax, litigation, pensions and travel

During the course of administering the case, the Insolvency Practitioner will be required to seek decisions from creditors on various proposed resolutions, including the basis of our remuneration and whether a creditors committee is formed.

We are also required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC. As detailed above, we are also duty bound to provide notifications and further assistance to pensions departments where applicable.

We may be required to travel to the Company's premises, or to a meeting external to our office if it assists with our realisation of assets, investigations or another aspect of the case.

Other matters that may need to be dealt with are detailed in the Proposals in Sections 6, 7 and 8.

There may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of our actions in the progress and/or final reports issued.

#### Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

#### Pre Administration costs

Details of the pre-Administration costs have been provided at Appendix 3(b) and Section 9 of the Report.

#### Expenses

Details of all of the expenses incurred since the date of our appointment are attached at Appendix 3(g) and in Section 6 of the Report.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

The level of work that needs to be completed is detailed at Section 8 of the Report.

#### General case administration and planning

How much will this further work cost?

A fees estimate has been provided to cover the work required to bring the administration to a conclusion. This is only an estimate based upon the time spent on similar historical cases and that the future work required, and therefore the cost of it, are dependent upon investigations and the ease with which the administrators are able to get in and realise the company's assets.

## Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above, as well as expenses that we have already incurred, are set out in the estimate of anticipated expenses attached and Appendix 3(g).

What is the anticipated payment for administering the case in full?

We estimate that the cost of administering the case will be in the region of £645,057 and consequently we are seeking approval for us to draw our remuneration up to that level. However, as you are aware, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the administration, it is difficult to estimate.

Should there be additional or unexpected asset realisations, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	9.8		15.9	18.4		33.6	12.8			90.3	33,377.00	369.62
	Administration				1.0			2.2			3.2	894.00	279.36
	<b>Total for General Case Administration and Planning:</b>	<b>9.8</b>		<b>15.9</b>	<b>19.4</b>		<b>33.6</b>	<b>14.8</b>			<b>93.5</b>	<b>34,271.00</b>	<b>366.53</b>
Compliance with the Insolvency Act, Rules and best practice	Appointment	5.0		4.5			33.6	3.9			47.0	15,607.00	336.32
	Banking and Bonding									1.0	1.0	160.00	160.00
	Case Closure												0.00
	Statutory reporting and statement of affairs	14.4		15.0			1.1	9.1			39.6	18,209.00	459.82
	<b>Total for Compliance with the Insolvency Act, Rules and best practice:</b>	<b>19.4</b>		<b>19.5</b>			<b>34.7</b>	<b>13.0</b>		<b>1.0</b>	<b>87.6</b>	<b>34,176.00</b>	<b>390.14</b>
Investigations	CDDA and investigations	8.6		2.4							11.0	6,603.00	600.27
	<b>Total for Investigations:</b>	<b>8.6</b>		<b>2.4</b>							<b>11.0</b>	<b>6,603.00</b>	<b>600.27</b>
Realisation of assets	Debt collection			4.2							4.2	1,848.00	440.00
	Property, business and asset sales	63.1		6.0							69.1	43,339.50	627.20
	Retention of Title/Third party assets												0.00
	<b>Total for Realisation of assets:</b>	<b>63.1</b>		<b>10.2</b>							<b>73.3</b>	<b>45,187.50</b>	<b>616.47</b>
Trading	Trading												0.00
	<b>Total for Trading:</b>												<b>0.00</b>
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	17.9									17.9	11,545.50	645.00
	Others	27.4		38.0	12.8		30.6	12.8			121.6	51,331.00	422.13
	Creditors committee												0.00
	<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions:</b>	<b>45.3</b>		<b>38.0</b>	<b>12.8</b>		<b>30.6</b>	<b>12.8</b>			<b>139.5</b>	<b>62,876.50</b>	<b>450.73</b>
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other												0.00
	Tax			0.5							0.5	220.00	440.00
	Litigation												0.00
	<b>Total for Other matters:</b>			<b>0.5</b>							<b>0.5</b>	<b>220.00</b>	<b>440.00</b>
	<b>Total hours by staff grade:</b>	<b>146.2</b>		<b>86.5</b>	<b>32.2</b>		<b>96.9</b>	<b>40.6</b>		<b>1.0</b>	<b>405.4</b>		
	<b>Total time cost by staff grade £:</b>	<b>94,299.00</b>		<b>38,060.00</b>	<b>13,202.00</b>		<b>28,661.00</b>	<b>8,932.00</b>		<b>160.00</b>		<b>183,334.00</b>	
	<b>Average hourly rate £:</b>	<b>645.00</b>	<b>0.00</b>	<b>440.00</b>	<b>410.00</b>	<b>0.00</b>	<b>290.00</b>	<b>220.00</b>	<b>0.00</b>	<b>160.00</b>			<b>452.23</b>
	<b>Total fees drawn to date £:</b>											<b>0.00</b>	



## NQ MINERALS PLC

**THE ADMINISTRATORS' FEES ESTIMATE**

Further to our appointment as Administrators, we are seeking to be remunerated on a time costs basis. Details of our firm's hourly charge-out rates are set out in the charging policy which accompanies this estimate. Prior to creditors determining the basis upon which we are to be remunerated, we are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it can be approved at the same time as the basis of our remuneration.

Our fees estimate for the administration is attached at Appendix 3(f). Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column.

What is the anticipated payment for administering the case?

Although the fees estimate indicates that the total time costs for this matter will be £461,722.50 in addition to the time costs incurred to date of £183,334, we are aware that there are limited assets to realise and so the time costs that we will be able to draw will be limited to the amount that is realised for the assets. It is very difficult to estimate what this will be currently. However, please note that should there be additional or unexpected asset realisations, we will look to draw our fees from those too.

For the avoidance of any doubt, the above estimate relates to the period of administration only, it does not relate to any work that is to be undertaken in any insolvency procedure following the administration.

Should creditors require further information on how this estimate has been produced this can be obtained from our website at <http://www.begbies-traynorgroup.com/fee-estimates>.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>. There is also a case specific explanation in the letter accompanying this fee estimate.

Arriving at our fee estimates

The cost of the process at this early stage is uncertain but the fee estimate that I have produced provide a general overview of the likely costs.

The estimates are produced by looking at historical cases of a similar nature, (asset value, number of creditors, case type and staffing levels). The estimates are then made case specific by considering the depth of investigations needed, whether significant time will be spent on adjudicating claims etc.

As the case progresses it may become apparent that the initial fees estimate will be exceeded, for example if any unforeseen circumstances arise which result in additional and unexpected costs being incurred. If this scenario occurs, we will seek creditor approval of a further fees estimate, providing full details of the circumstances at the time.

## Summary of the work to be undertaken in the Administration

The following work category descriptions are provided in order for creditors to understand the statutory and general duties involved during the course of the administration.

### General case administration and planning

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case we will form a strategy for how the case will be managed. This will take into consideration the level of assets to be realised, how those assets will be realised, and whether there will be sufficient realisations to make a distribution to the Company's creditors.

The case will be subject to regular reviews to ensure case progression and the files will be kept up to date.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the joint administrators and their staff carry out their work to high professional standards.

### Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. We are also required to notify various bodies of our appointment, including creditors, Companies House, and advertise our appointment in the London Gazette.

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

### Investigations

Within three months of our appointment, we are required to submit an online conduct report in accordance with the Company Directors Disqualification Act. In order to fulfil this duty, we will seek to recover the Company books and records, both hard copy and electronic, from the directors in order to carry out our initial investigations. An initial investigation is carried out in all cases to determine whether there are potential recovery actions for the benefit of creditors. Such investigations include analysis of the Company's bank statements, reviewing information provided by third parties and an analysis of the Company's management accounting records/systems. Any person who is or has been a director, or is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with our investigations.

Where appropriate creditors or other parties may be asked to come forward with information.

Whilst our investigations are at an early stage, these may potentially uncover possible actions which could be brought for the benefit of creditors. Depending on these investigations and avenues of recovery, there is the possibility that creditors may need to approve a further estimate because of the likely time/cost of investigations.

Any financial benefit to creditors in carrying out the above work is unclear at present. However, creditors will receive updates on these matters in our progress reports.

As you can see above, the costs of my initial investigations have been reflected in my proposed fixed fee. However, should those initial investigations reveal potential undisclosed assets, claims against directors and/or any other parties or any other matters which require further detailed investigation work in order to seek to recover funds for the benefit of creditors, I will need to propose an increase in my remuneration to cover the work necessary to pursue those investigations and relevant claims. I am unable to seek approval to fix my remuneration for such work unless and until the nature of any such claims has been identified and the work involved can be quantified. This also applies in the event of tax and pensions matters arising, not originally anticipated and included in proposed fee estimates. I will therefore circulate to creditors as necessary, if such claims or further works are identified, to seek a further decision from creditors to fix my fees for this additional work. Details of the nature of the potential claims identified and any further work to be undertaken will be included in the report accompanying the decision request, (if such decision will not jeopardise the investigations). Such recovery actions would be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary.

#### Dealing with all creditors' claims (including employees), correspondence and distributions

Time will be spent dealing with creditor queries as and when required. This can include queries by telephone, email or within letters received in the post.

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in our initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case.

Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on. However, all claims received will be noted and registered. The administrator is unable to distribute a dividend to the unsecured creditors without permission of the court, other than of the prescribed part. Should there be funds available to make a distribution to the unsecured creditors, it is usual practice for a succeeding liquidator to deal with the claims of the unsecured creditors.

Where the Company has employees who have claims in the Administration, it will be the role of appointed Administrator to liaise with the Redundancy Payments Service ("RPS") and collate employment records in order to submit information concerning sums potentially due in respect of outstanding salaries, holiday pay, pay in lieu of notice and redundancy.

The government will initially review and make payment of the claims of the employees, (up to their maximum allowances), and any shortfall on those claims will be a claim in the insolvency proceedings.

In this case we have a significant number of different types of unsecured creditors. An extensive amount of time has and will be spent dealing with all creditor queries as and when required.

Time will be spent dealing with all creditor queries as and when required.

### Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this we may need to consider instructing professional agents to carry out negotiations, provide inventories and valuations. We may also need to instruct solicitors to complete sales. We may need assistance with debt collection exercises.

All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of the creditors generally.

The details of the asset realisations and sales process together with what remains to be done is detailed in Sections 6, 7 and 8 of the Proposals.

### Distribution of funds

In cases where sufficient realisations are made to enable a dividend to the secured and preferential creditors creditors, I must review the claims and supporting documents and formally adjudicate on the claims. This may involve seeking additional supporting documents where claims require further review.

This will only occur should sufficient proceeds remain in the Administrators' estate after the costs of the Administration have been met in full.

As mentioned above, any distribution to the unsecured creditors, (unless by way of prescribed part), will be paid by a succeeding liquidator.

### Other matters which include, seeking decisions from creditors (via DCP and/or via Decision Procedures), tax, litigation, pensions and travel

During the course of administering the case, the Insolvency Practitioner may be required to carry out additional work which doesn't necessarily fall under any of the other categories above. This may include:

Seeking additional decisions from creditors on various proposed resolutions, including where relevant an increase to our original remuneration estimate, and whether a creditors committee is formed.

We may also be required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC. As detailed above, we are also duty bound to provide notifications and further assistance to pensions departments where applicable.

We may be required to travel to the Company's premises, or to a meeting external to our office if it assists with our realisation of assets, investigations or another aspect of the case

There are certain other matters which we may have to deal with which are not evident or foreseeable at the outset of the Administration. I am unable to seek approval to fix remuneration for any work unless and until the nature of any such work has been identified and the work involved can be quantified. If this scenario should occur, I will revert to creditors, providing full details of the circumstances at the time, to seek creditor approval of a further fees estimate.

Instances and explanations of the such work that might fall under this category are provided on our website at <http://www.begbies-traynorgroup.com/work-details>.

Once again, there may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of our actions in the progress and/or final reports issued.

## NQ MINERALS PLC

JOINT ADMINISTRATORS' ESTIMATE OF FUTURE TIME COSTS							
FROM 29 SEPTEMBER 2021 TO CLOSURE							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning							
IPS set up & maintenance	04:30	09:30	13:30	00:00	27:30	2,470.00	89.82
Statutory reports,circulars, notices, etc.	17:30	23:00	42:00	00:00	82:30	32,502.50	393.97
Case planning, strategy & control	35:00	36:30	56:30	00:00	128:00	53,025.00	414.26
Taxation: PAYE, C/Tax & VAT	15:30	18:00	30:00	00:00	63:30	25,672.50	404.29
Accounting & Cashiering	00:00	00:00	00:00	25:00	25:00	4,000.00	160.00
Administration	14:30	16:30	30:30	00:00	61:30	24,652.50	400.85
Investigations							
CDDA preparation & reporting	19:30	11:00	38:30	00:00	69:00	27,567.50	399.53
Investigations	19:00	16:30	49:30	00:00	85:00	32,365.00	380.76
Realisation of assets							
Sale of Business and Assets	88:30	93:30	117:00	00:00	299:00	128,582.50	430.04
Book debts collection	38:30	45:00	56:30	00:00	140:00	59,407.50	424.34
Creditors & distributions							
Unsec'd Creditors: claims, proofs and distributions	40:00	49:00	81:00	00:00	170:00	68,540.00	403.18
Preferential creditors & employees	01:30	02:30	03:00	00:00	07:00	2,937.50	419.64
Total hours and costs	294:00	321:00	518:00	25:00	1158:00	461,722.50	398.72

NQ MINERALS PLC

DETAILS OF THE EXPENSES THAT THE ADMINISTRATORS CONSIDER WILL BE, OR ARE LIKELY  
TO BE INCURRED DURING THE COURSE OF THE ADMINISTRATION

No.	Type of expense	Description	Estimate £
1.	Advertisements	Of appointment, dividends etc.	200
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	775
3.	Insurance	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity.  Administration fees may also be charged on the policy	Uncertain. Minimal tangible assets
4.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	Uncertain. Minimal physical records
5.	Property agent's valuation fees and disbursements	Uncertain	Yet to be instructed
6.	Property agent's sale fees and disbursements	N/a	N/a
7.	Legal fees and disbursements	Stephenson Harwood and McCullough Robertson – advice regarding the potential strategies to achieve the Administration purpose	Uncertain
8.	Debt collection fees and disbursements	The fees of any third party instructed by the Insolvency Practitioner to assist with the collection of the debts of the insolvent entity and their anticipated disbursements	Uncertain
9.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	Uncertain

10.	Investigation expenses	Any sums paid to any third party that assists the Insolvency Practitioner with investigating the affairs of the insolvent entity	Uncertain
11.	Professional Fees	Grayone – assistance with the Administration process	Uncertain
12.	Professional Fees	Rodgers Reidy - financial reviews of the underlying subsidiaries	Uncertain
13.	IT costs	Fradley Media – managing IT resources	Uncertain

For the avoidance of any doubt, the above estimate relates to the period of administration only, it does not relate to any expenses that will or may be incurred in any insolvency procedure following the administration.



## Appendix 4

