



**Metallus Pty Ltd (In Liquidation) formerly trading as Aaromat Group
ACN 631 677 999 (Metallus)
Ferrea Pty Ltd (In Liquidation) formerly trading as SEQ Powder Coating
ACN 631 678 085 (Ferrea)
(collectively, the Companies)**

Initial Information for Creditors

Anthony Connelly, Jamie Harris and I were appointed Liquidators of the Companies on 13 July 2022.

We have been appointed to represent the interests of all creditors. We are responsible for locating the Companies' assets, investigating their affairs, reporting to the Australian Securities and Investments Commission (**ASIC**) and, if funds become available, paying money owed to creditors.

According to the Companies' records, you may be a creditor of the Companies.

The purpose of this document is to provide you with information about the liquidations and your rights as a creditor.

Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

We enclose our DIRRI. Our independent status and who appointed us is outlined in our DIRRI.

What do you need to know?

Question	Answer
What is a creditors' voluntary liquidation?	A creditors' voluntary liquidation, or CVL, is a liquidation initiated by a company where it cannot pay all of its creditors in full. This means that the company is insolvent.
What are your rights as a creditor?	<p>We enclose a copy of the information sheet "Creditor Rights in Liquidations" issued by the Australian Restructuring Insolvency & Turnaround Association (ARITA). It includes information on your rights to:</p> <ul style="list-style-type: none">▪ make reasonable requests for a meeting;▪ make reasonable requests for information;▪ give directions to the Liquidators;▪ appoint a reviewing liquidator; and▪ replace us as Liquidators. <p>In addition, creditors have the right to request a meeting in the first 20 business days of a creditors' voluntary liquidation. If we receive a request for a meeting in writing from at least 5% of known creditors, unrelated to the Companies, we are required to hold a meeting, as long as the request is reasonable. Details of the considerations that are relevant to determine whether a request is reasonable are set out in the information sheet "Creditor Rights in Liquidations".</p>



Question	Answer
<p>What happens to your debt?</p>	<p>All creditors of the Companies are now creditors in the respective liquidation and will now be dealt with in that liquidation.</p> <p>The amount of money you receive depends on the amount we recover, including from locating, securing and selling the Companies' assets. After paying our fees, creditors share in any remaining money proportionally. If funds are available, the amount paid is called a dividend.</p> <p>A dividend can vary between creditors because the law entitles different types of creditors to be paid before other types of creditors. In addition, a dividend will only be paid where there are sufficient recoveries in the liquidation, which will not always be the case.</p> <p>If you have leased property to the Companies, have a retention of title claim or have a registered personal property securities interest in relation to the Companies, please contact Andie Nicolaou on (07) 3333 9802 as soon as possible.</p>
<p>Do you have to do anything?</p>	<p>You should read this information. You can choose to participate in the liquidation process, but you don't have to.</p> <p>If we need you to take action, we will write and ask you. For example, we may ask you to provide proof of your debt before we can pay you a dividend.</p> <p>If you do not think you are a creditor, please let us know.</p>
<p>Summary of affairs</p>	<p>We received a Report on Company Activities and Property (ROCAP) from each of the Companies' directors. A summary of affairs from the information in the ROCAPs, company records and other available information is enclosed for both of the Companies.</p>
<p>Listing of creditors</p>	<p>As required by section 497(1) of the <i>Corporations Act 2001</i>, we enclose a list of creditors, including their addresses and the estimated amounts of their claims that are shown in the records of the Companies. Any creditors related to the Companies are identified. If you do not agree with the estimated amount of your claim, please contact us to obtain a Proof of Debt Form (Form 535) to provide details and evidence of your claim.</p>
<p>What has happened in the liquidation so far?</p>	<p>As Liquidators, we have assumed control of the Companies' affairs and have entered into possession of their assets. Ferrea's business was sold prior to the liquidation. Metallus has ceased trading and all employees have been terminated.</p> <p>The following key events have occurred during the liquidations to date:</p> <ul style="list-style-type: none"> ▪ Secured the leased premises and arranged ongoing access. ▪ Engaged Grays to prepare an asset listing and undertake a valuation of Metallus' assets. ▪ Published an advertisement in the <i>Australian Financial Review</i> on 15 July 2022 seeking Expressions of Interest (EOI) in Metallus' business and assets. No viable EOIs were received.



Question	Answer
	<ul style="list-style-type: none"> ▪ Issued initial correspondence to PPSR holders, responded to PPSR queries, commenced review of PPSR claims and arranged onsite asset inspections. ▪ Issued initial communication to customers, liaised with customers and commenced a review of all projects that were underway at the time of our appointment. ▪ Liaised with the Fair Entitlements Guarantee scheme (FEG) in relation to employee entitlements. Commenced calculation of employee entitlements. ▪ Attended to statutory notifications and lodgements.
<p>What is the cost of the liquidation?</p>	<p>We get paid out of the Companies' money, including realisations from assets or from money paid to us by others, such as the Companies' directors. If there is not enough money in the liquidations, we do not get paid in full.</p> <p>We enclose our Initial Remuneration Notice, which provides you with information about how we propose to be paid for undertaking the liquidations.</p> <p>We may write and ask that you approve our remuneration for the work that we do in completing the liquidations. If we do, we will provide you with detailed information about what tasks we have undertaken and the costs of those tasks.</p>
<p>What further communication will you receive?</p>	<p>We will write to you within three months of our appointment advising whether a dividend is likely and update you on the progress of our investigations.</p> <p>We may also send you updates on the progress of the liquidations, or proposals to approve certain matters in the liquidations, at any time.</p> <p>If we consider it to be in the interests of creditors, we will hold a meeting to communicate with creditors. Further, if we receive a request for a meeting that complies with the guidelines set out in the creditor rights information sheet, we will also hold a meeting of creditors.</p>
<p>What happens next?</p>	<p>We will proceed with the liquidations, which will include:</p> <ul style="list-style-type: none"> ▪ recovering and selling any available property; ▪ investigating the Companies' affairs; ▪ reporting to the corporate regulator, ASIC; and ▪ distributing any available funds to creditors in accordance with their priority.
<p>Where can you get more information?</p>	<p>ARITA provides information to assist creditors to understand liquidations and insolvency. This information is available from ARITA's website at www.arita.com.au/creditors.</p> <p>A copy of the information sheet, "Insolvency information for directors, employees, creditors and shareholders", issued by ASIC is also enclosed for your information.</p>



If you have any queries, please contact Andie Nicolaou on (07) 3333 9802. For further information about this engagement, please refer to the website www.mcgrathnicol.com/creditors.

Dated: 27 July 2022

Mark Holland
Liquidator

Enclosures:

- 1 ARITA Information Sheet - Creditor Rights in Liquidations
- 2 Declaration of Independence, Relevant Relationships and Indemnities
- 3 Summary of affairs (Form 509) (x2)
- 4 Initial Remuneration Notice
- 5 List of creditors identifying related parties (x2)
- 6 ASIC Information Sheet - Insolvency information for directors, employees, creditors and shareholders

Creditor Rights in Liquidations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request a meeting

In liquidations, no meetings of creditors are held automatically. However, creditors with claims of a certain value can request in writing that the liquidator hold a meeting of creditors.

A meeting may be requested in the first 20 business days in a creditors' voluntary liquidation by $\geq 5\%$ of the value of the debts held by known creditors who are not a related entity of the company.

Otherwise, meetings can be requested at any other time or in a court liquidation by:

- $> 10\%$ but $< 25\%$ of the known value of creditors on the condition that those creditors provide security for the cost of holding the meeting
- $\geq 25\%$ of the known value of creditors
- creditors by resolution, or
- a Committee of Inspection (this is a smaller group of creditors elected by, and to represent, all the creditors).

If a request complies with these requirements and is 'reasonable', the liquidator must hold a meeting of creditors as soon as reasonably practicable.

Right to request information

Liquidators will communicate important information with creditors as required in a liquidation. In addition to the initial notice, you should receive, at a minimum, a report within the first three months on the likelihood of a dividend being paid.

Additionally, creditors have the right to request information at any time. A liquidator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the liquidation, and the provision of the information would not cause the liquidator to breach their duties.

A liquidator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the liquidator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

Both meetings and information:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) there is not sufficient available property to comply with the request
- (c) the request is vexatious

Meeting requests only:

- (d) a meeting of creditors dealing with the same matters has been held, or will be held within 15 business days

Information requests only:

- (e) the information requested would be privileged from production in legal proceedings
- (f) disclosure would found an action for breach of confidence
- (g) the information has already been provided
- (h) the information is required to be provided under law within 20 business days of the request

If a request is not reasonable due to (b), (d), (g) or (h) above, the liquidator must comply with the request if the creditor meets the cost of complying with the request.

Otherwise, a liquidator must inform a creditor if their meeting or information request is not reasonable and the reason why.

Specific queries about the liquidation should be directed to the liquidator's office.

Right to give directions to liquidator

Creditors, by resolution, may give a liquidator directions in relation to a liquidation. A liquidator must have regard to these directions, but is not required to comply with the directions.

If a liquidator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons.

An individual creditor cannot provide a direction to a liquidator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a liquidator's remuneration or a cost or expense incurred in a liquidation. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

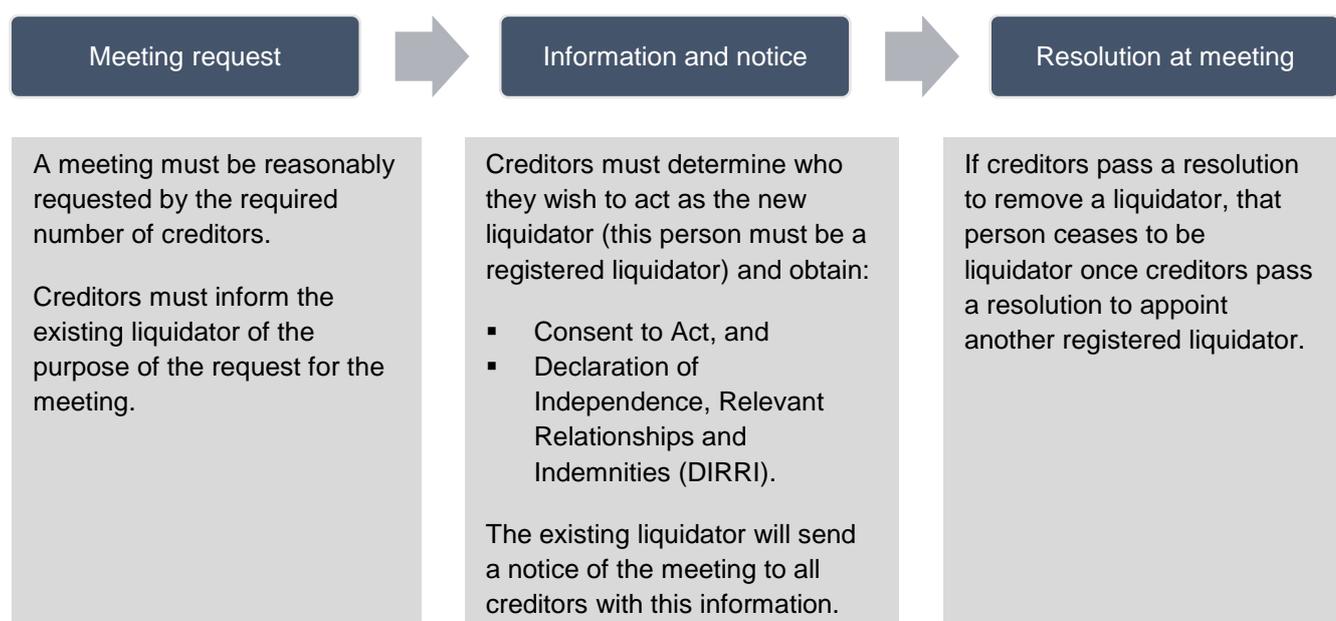
The cost of the reviewing liquidator is paid from the assets of the liquidation, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the liquidator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace liquidator

Creditors, by resolution, have the right to remove a liquidator and appoint another registered liquidator.

For this to happen, there are certain requirements that must be complied with:



**For more information, go to www.arita.com.au/creditors.
Specific queries about the liquidation should be directed to the liquidator's office.**



Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

**Metallus Pty Ltd (In Liquidation) formerly trading as Aaromat Group
ACN 631 677 999**

**Ferrea Pty Ltd (In Liquidation) formerly trading as SEQ Powder Coating
ACN 631 678 085**

(collectively, the Companies)

The purpose of this document is to assist creditors with understanding any relevant relationships that we have with parties who are closely connected to the Companies and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of ourselves, our partners, the firm McGrathNicol, which for the purpose of this declaration includes the McGrathNicol Partnership, the McGrathNicol Advisory Partnership and McGrathNicol Services Pty Ltd.

We are Professional Members of the Australian Restructuring Insolvency and Turnaround Association (**ARITA**). We acknowledge that we are bound by the ARITA Code of Professional Practice (**CoPP**).

A. Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

B. Circumstances of Appointment

How we were referred this appointment

This appointment was referred to us by Dennis Corporate Advisory.

We believe this referral does not result in a conflict of interest or duty because:

- Dennis Corporate Advisory has not referred any other previous work to McGrathNicol;
- the referral was made on an unconditional basis; and
- the limited dealings with Dennis Corporate Advisory in relation to consenting to act as liquidators of the Companies do not impact on our independence as they do not result in any duty owed to that entity or the Companies that would conflict with our duties as Liquidators.

There is no expectation, agreement or understanding between us and Dennis Corporate Advisory regarding the conduct of the liquidations and we are free to act independently and in accordance with the law and applicable professional standards.

We had the following communication with the Companies' directors (i.e. Richard Londt and Nonie Webb) and Dennis Corporate Advisory between 11 July 2022 and 13 July 2022:

- On the afternoon of 11 July 2022, Dennis Corporate Advisory contacted Anthony Connelly, of the firm McGrathNicol, by phone, to ascertain whether we were available to attend a meeting with the Companies' directors to explain external administration options available to the companies;
- On 12 July 2022, after having undertaken a conflict check to confirm we had no conflicts of interest or duty in relation to the Companies, Anthony Connelly, Mark Holland and Jamie Harris met with the Companies' directors and Dennis Corporate Advisory and explained the administration options available and the commencement process for a Creditors Voluntary Liquidation (**CVL**);



- On the evening of 12 July 2022, Anthony Connelly provided draft CVL appointment documents, by email, to the Companies' directors; and
- On 13 July 2022, the Companies' directors resolved to appoint us as Liquidators of the Companies.

We received no remuneration for this advice.

In our opinion, these meetings do not affect our independence for the following reasons:

- it is recognised by the Courts and the CoPP that pre-appointment advice on the insolvency process and available options is necessary and does not amount to an impediment to accepting an appointment; and
- the nature of the advice provided was such that it would not be subject to review and challenge during the course of the liquidations. Nor would the advice influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the liquidations in an objective and impartial manner.

We have provided no other information or advice to the Companies, the Companies' directors (i.e. Richard Londt and Nonie Webb) or its advisors prior to our appointment beyond that outlined in this DIRRI.

C. Declaration of Relationships

Within the previous two years, have we, or our firm, had a relationship with:	
The Companies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
The directors?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Any associates of the Companies?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No An associate is a director or secretary of the Companies, a related body corporate of the Companies or a director or secretary of a related body corporate of the Companies. A related body corporate includes the holding company of either of the Companies, a subsidiary of either of the Companies and a subsidiary of the holding company of either of the Companies. We disclose, as specified on page one of this Declaration, that we have been appointed as Liquidators of two companies with common directors. We are of the view that the appointment to these two companies will have significant benefits to the conduct of the liquidations, including cost-savings and enabling an as accurate as possible view to be obtained of the activities and financial position of the companies as a whole. We are aware that there could be inter-company transactions between the companies, but at this time are not aware of any potential conflicts of interest arising from the appointments over the two companies. However, to the extent it becomes apparent that pre-appointment dealings between the two companies may give rise to a conflict which may impact the outcome for creditors of a particular company, then we undertake to disclose any such conflicts to the creditors and, as appropriate, seek Court directions regarding how to resolve the potential conflict.
A former insolvency practitioner appointed to the Companies?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A secured creditor entitled to enforce a security over the whole or substantially the whole of the Companies' property?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Do we have any other relationships that we consider are relevant to creditors assessing our independence?	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	



D. Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. This does not include any indemnities we may be entitled to under the law.

Dated: 27 July 2022

.....
Anthony Norman Connelly

.....
Mark Alfred Holland

.....
William James Harris

Note:

- 1 The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional Standards.
- 2 If the circumstances change or new information is identified, we are required under the Corporations Act 2001 and the ARITA CoPP to update this Declaration and provide a copy to creditors with our next communication, as well as table a copy of any replacement Declaration at the next meeting of the insolvent's creditors. For Creditors' Voluntary Liquidations and Voluntary Administrations, this document and any updated versions of this document are required to be lodged with ASIC as soon as practicable (2 business days).
- 3 Please note that the presentation of the above information is in accordance with the standard format suggested by ARITA.



Presentation of summary of affairs of a company

If there is insufficient space in any section of the form, you may attach an annexure and submit as part of this lodgement

Related forms:

5604 Information about the company's affairs sent to creditors

Company details

Company name

Metallus Pty Ltd (In Liquidation)

ACN

631 677 999

Lodgement details

An image of this form will be available as part of the public register.

Who should ASIC contact if there is a query about this form?

ASIC Registered agent number (if applicable)

Firm/organisation

McGrathNicol

Contact name/position description

Telephone number (during business hours)

(07) 3333 9800

Email address (optional)

Postal address

GPO Box 9986

Suburb/City

Brisbane

State/Territory

QLD

Postcode

4001

Summary of assets and liabilities

Date to which summary is made up

1 3 / 0 7 / 2 2
[D D] [M M] [Y Y]

Continued... **Summary of assets and liabilities**

	Valuation (for each entry show whether cost or net book amount)	Estimated Realisable Values
	\$	\$
1 Assets not specifically subject to security interest		
(a) interest in land	-	-
(b) sundry debtors	270,110.36	Commercially sensitive
(c) cash on hand	10.00	0.00
(d) cash at bank	29,225.78	29,225.78
(e) stock	125,954.44	Commercially sensitive
(f) work in progress	117,386.76	Commercially sensitive
(g) plant and machinery	237,874.37	Commercially sensitive
(h) other assets	400,600.61	36,306.22
Sub-total	1,181,162.32	Commercially sensitive
2 Assets subject to specific security interests	0.00	0.00
Less amounts owing	0.00	0.00
Total Assets	(\$ 1,181,162.32)	
Total Estimated Realisable Values		(\$ Commercially sensitive)
3 Less amounts payable in advance of secured creditor(s) including employee entitlements		(139,421.21)
4 Less amounts owing and secured by debenture or circulating security interests over assets		-
5 Less preferential claims ranking behind secured creditors		-
6 Less balances owing to partly secured creditors		-
Total Claims	(\$ -)	
Security Held	(\$ -)	-
7 Less creditors (Unsecured) Amount claimed		(1,075,021.74)
8 Add contingent assets Estimated to produce		-
9 Less contingent liabilities Estimated to rank		-

Estimated deficiency or

Estimated surplus

\$ Unknown

Subject to costs of administration or

Subject to costs of liquidation

Share capital \$ 1,450,010

Issued \$ 1,450,010

Paid Up \$ 1,450,010

Signature

This form must be signed by a director, secretary or liquidator.

Name of person signing

Anthony Connelly

Capacity

Liquidator

Signature



Date signed

2 7 / 0 7 / 2 2
[D D] [M M] [Y Y]

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

For more information

Web www.asic.gov.au
Need help? www.asic.gov.au/question
Telephone 1300 300 630



Presentation of summary of affairs of a company

If there is insufficient space in any section of the form, you may attach an annexure and submit as part of this lodgement

Related forms:

5604 Information about the company's affairs sent to creditors

Company details

Company name

Ferrea Pty Ltd (In Liquidation)

ACN

631 678 085

Lodgement details

An image of this form will be available as part of the public register.

Who should ASIC contact if there is a query about this form?

ASIC Registered agent number (if applicable)

Firm/organisation

McGrathNicol

Contact name/position description

Telephone number (during business hours)

(07) 3333 9800

Email address (optional)

Postal address

GPO Box 9986

Suburb/City

Brisbane

State/Territory

QLD

Postcode

4001

Summary of assets and liabilities

Date to which summary is made up

1 3 / 0 7 / 2 2
[D D] [M M] [Y Y]

Continued... **Summary of assets and liabilities**

	Valuation (for each entry show whether cost or net book amount)	Estimated Realisable Values
	\$	\$
1 Assets not specifically subject to security interest		
(a) interest in land	-	-
(b) sundry debtors	17,662.19	Unknown
(c) cash on hand	10.00	0.00
(d) cash at bank	7,559.46	7,559.46
(e) stock	-	-
(f) work in progress	-	-
(g) plant and machinery	-	-
(h) other assets	9,000.00	0.00
Sub-total	34,231.65	Unknown
2 Assets subject to specific security interests	-	-
Less amounts owing	-	-
Total Assets	(\$ 34,231.65)	
Total Estimated Realisable Values		(\$ Unknown)
3 Less amounts payable in advance of secured creditor(s) including employee entitlements		-
4 Less amounts owing and secured by debenture or circulating security interests over assets		-
5 Less preferential claims ranking behind secured creditors		-
6 Less balances owing to partly secured creditors		-
Total Claims	(\$ Unknown)	
Security Held	(\$ Unknown)	Unknown
7 Less creditors (Unsecured) Amount claimed		(1,165,335.79)
8 Add contingent assets Estimated to produce		-
9 Less contingent liabilities Estimated to rank		-
<input checked="" type="checkbox"/> Estimated deficiency or <input type="checkbox"/> Estimated surplus		\$ Unknown
<input type="checkbox"/> Subject to costs of administration or <input checked="" type="checkbox"/> Subject to costs of liquidation		
Share capital	\$ 10.00	
Issued	\$ 10.00	
Paid Up	\$ 10.00	

Signature

This form must be signed by a director, secretary or liquidator.

Name of person signing

Anthony Connelly

Capacity

Liquidator

Signature



Date signed

2	7	/	0	7	/	2	2
[D	D]		[M	M]		[Y	Y]

Lodgement

Send completed and signed forms to:
Australian Securities and Investments Commission,
PO Box 4000, Gippsland Mail Centre VIC 3841.

For more information

Web www.asic.gov.au
Need help? www.asic.gov.au/question
Telephone 1300 300 630



Initial Remuneration Notice

**Metallus Pty Ltd (In Liquidation) formerly trading as Aaromat Group
ACN 631 677 999 (Metallus)
Ferrea Pty Ltd (In Liquidation) formerly trading as SEQ Powder Coating
ACN 631 678 085 (Ferrea)
(collectively, the Companies)**

The purpose of the Initial Remuneration Notice is to provide you with information about how we propose our remuneration for undertaking the liquidations will be set.

1 Remuneration methods

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

- A. **Time based/hourly rates:** This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work, multiplied by the number of hours spent by each person on each of the tasks performed.
- B. **Fixed Fee:** The total fee charged is normally quoted at the commencement of the liquidation and is the total cost for the liquidation.
- C. **Percentage:** The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of asset realisations.
- D. **Contingency:** The fee is structured to be contingent on a particular outcome being achieved.

2 Method chosen

Given the nature of these external administrations, we propose that our remuneration be calculated on a time basis which will be recorded and charged in six minute increments. Details of the hourly rates for different levels of staff are included below. The complexity and demands of the external administration will determine the staff to be utilised for this appointment.

We have chosen the time based method because:

- This method is considered to be most suitable for these appointments as it ensures creditors are only charged for work that is performed in the liquidations, which can be difficult to accurately estimate at the date of appointment.
- Even later than the date of appointment, it can be difficult to estimate the time that may be required in advance of the substantive work being undertaken. The time based method in this case again ensures that creditors are only charged for work that is actually performed in the liquidations.
- We are required to perform a number of tasks which do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to ASIC and distributing funds in accordance with the provisions of the *Corporations Act 2001*.
- We have a time recording system that can produce a detailed analysis of time spent on each type of task by each individual staff member utilised in each liquidation.
- Time based remuneration calculates fees upon a basis of time spent at the level appropriate to the work performed.



3 Explanation of Hourly Rates

The rates for our remuneration calculation are set out in the following table, together with a general guide showing the qualifications and experience of staff engaged in the liquidations and the role they take in each liquidation. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Description	Hourly rate (excl GST)
Appointee/Partner	Registered liquidator, Chartered Accountant or equivalent and generally degree qualified with more than twelve years of experience. Leads assignments with full accountability for strategy and execution.	\$800
Director 1	Generally Chartered Accountant or comparable qualification and degree qualified with more than ten years of experience, including four years of Director or equivalent experience. Autonomously leads complex insolvency appointments reporting to Appointee/Partner.	\$700
Director	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than nine years of experience. Autonomously leads insolvency appointments reporting to Appointee/Partner.	\$665
Senior Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than seven years of experience. Self-sufficiently conducts small to medium insolvency appointments and leads major workstreams in larger matters.	\$615
Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than five years of experience. Self-sufficiently conducts small insolvency appointments and takes a supervisory role on workstreams in larger matters.	\$570
Assistant Manager	Generally Chartered Accountant or comparable relevant qualification and degree qualified with more than three years of experience. Autonomously manages workstream activity within appointments.	\$530
Senior Accountant	Generally degree qualified and undertaking Chartered Accountant's qualification or comparable relevant qualification with more than 16 months of experience. Completes tasks within workstreams and appointments under supervision.	\$475
Accountant	Generally degree qualified and undertaking or about to undertake Chartered Accountant's qualification or comparable relevant qualification with less than one year of experience. Assists with tasks within workstreams and appointments under supervision.	\$390
Undergraduate/Cadet	Undertaking relevant degree. Assists with tasks within workstreams and appointments under supervision.	\$230
Practice Services Director	National Practice Service leaders, generally degree qualified with more than ten years of experience and reporting directly to partners. Technical experts in their specific areas and have team management responsibilities.	\$770



Title	Description	Hourly rate (excl GST)
Senior Treasury staff	Appropriately experienced and undertakes senior Treasury activities such as oversight of the processing of payment of receipts and banking administration. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$510
Senior Client Administration and Treasury	Appropriately experienced and undertakes senior level administrative support activities or Treasury activities. May be responsible for day to day management of projects or operations and may have supervisory responsibility for junior staff.	\$400
Administration	Appropriately experienced and undertakes support activities such as meeting coordination and preparation of materials where it is efficient and appropriate to do so.	\$220

McGrathNicol reviews its hourly rates on either 31 December or 30 June. Creditors will be advised of any change to the hourly rates for these external administrations.

4 Estimated remuneration

We estimate the liquidations of Metallus and Ferrea will cost approximately \$300,000 (GST exclusive) and \$25,000 (GST exclusive) respectively. These estimates are subject to the following variables and may have a significant effect on the above approximations that we are unable to determine at this early stage:

- uncertainty around the timing and manner of sale of Metallus' assets;
- the time that may be required to obtain books, records, funds and assets (if any) from the parties that hold them;
- the number and value of claims that may be received in the external administrations and work that may be required to adjudicate on those claims for voting and/or dividend purposes;
- work that may be required to distribute funds to creditors;
- investigations that may be required to ascertain the existence and location of any other assets, including potential legal actions that may be available to the external administrator;
- where viable legal claims are identified, the timeframe to resolution becomes very significantly impacted by the conduct of the defendant and their willingness to resolve the claim by a negotiated settlement, as well as Court timeframes, both of which are difficult to predict; and
- any identified matters that are required to be reported to statutory authorities such as ASIC.

5 Disbursements

Disbursements are divided into two types:

- **External disbursements** – these are recovered at cost. Examples are travel, accommodation, postage, advertising, couriers and search fees.
- **Internal disbursements** – these disbursements are charged at a rate which recoups both fixed and variable costs and may include an element of profit or advantage to the External Administrator or a related party of the External Administrator. Examples are printing and data storage. The recovery of these costs must be on a reasonable commercial basis. Details of the basis of recovery of each of these costs is discussed below.

We are not required to seek creditor approval for disbursements paid to third parties where we are recovering at cost what was incurred on behalf of the administration, but must account to creditors. We must be satisfied that these disbursements are appropriate, justified and reasonable.



We are required to obtain creditor's consent for the payment of a disbursement where we, or a related entity of ours, may directly or indirectly obtain a profit. In these circumstances, creditors will be asked to approve our disbursements prior to these disbursements being paid from the liquidations.

Details of the basis of recovering disbursements in these external administrations are provided below.

For clarity, it is noted that any time costs of any employee of McGrathNicol or any associated entity will be reported as part of our remuneration, for which approval may be sought.

Basis of disbursement claim

<i>Disbursement type</i>	<i>Rate (GST exclusive)</i>
External disbursements	
Postage	At cost
Stationery and other incidental disbursements	At cost
Conference call phone charges	At cost
Searches	At cost
Advertising	At cost
Courier	At cost
Staff per diem travel allowance*	\$89.00 per day**
Staff vehicle use	\$0.78 per km**
ASIC user pays levy	At cost
Internal disbursements (that may have an element of profit or advantage)	
Data processing – data loading & processing fee	\$20-\$60 per gigabyte (GB)***, minimum \$3,000 for matters less than 50GB.
Data hosting – monthly hosting fee	\$10 per GB, per month. Minimum \$1,000 for small matters. Large matters are priced on application.
Printing – black and white	\$0.09 per page
Printing – Colour	\$0.28 per page

*Tiered pricing model depending on volume of data to be hosted

**Payable when partners/staff are required for business purposes to stay away from their place of residence overnight

***These rates are deemed reasonable by the Australian Taxation Office

Further explanation of data hosting disbursements

In the conduct of these liquidations, we may use McGrathNicol's Forensic Technology team to extract, aggregate, electronically process and/or host electronic data, which could be used for the:

- trade or sale of the business or assets; and/or
- investigations regarding transactions or potential recoveries available to creditors.

If data hosting is required and we choose not to use the services of McGrathNicol's Forensic Technology team, we will otherwise have to purchase those services from an alternative provider and/or use another method to achieve the same end, which will not be as efficient as using these available internal services.

We note that the data hosting rates above are no more than our standard commercial pricing available for the same services when they are provided to external parties.

Dated: 27 July 2022

Metallus Pty Ltd (In Liquidation) trading as Aaromat Group - list of creditors of the company to accompany Summary of Affairs pursuant to section 497(1)(a)(ii)

Creditor name	Creditor Address	Estimated amount of creditor's claim (\$)	Creditor is a related party of the company in liquidation (Yes/No)
ACBS Constructions Pty Ltd trading as Decorative Screens Direct	Unit 1/507 Olsen Avenue Southport QLD 4215	4,725	No
Access Powder Coating	Unit 1/13 Access Ave Yatala QLD 4207	8,857	No
AGL Energy	Locked Bag 3013 Australia Square NSW 1215	846	No
Ai Group	Lower Ground Floor 202 Boundary St Spring Hill QLD 4000	2,155	No
Aitken Welding Supplies Pty Limited	1/1368 Kingsford Smith Dr Eagle Farm QLD 4008	647	No
Allied Air Products & Services QLD P/L	8/22 Eastern Service Road Stapylton Gold Coast QLD 4207	886	No
Alspec (Aluminium Specialties Group)	8/22 Jutland St Loganlea QLD 4131	71,352	No
AusTech Saw & Tooling Pty Ltd	1 Palings Ct Nerang QLD 4211	634	No
Australian Taxation Office	PO Box 9003 Penrith NSW 2740	774,876	No
BetterWater	2/55 Neumann Rd Capalaba QLD 4157	460	No
Business Fuel Cards Pty Ltd	GPO Box 3852 NSW 2001	6,043	No
Bussq Building Super	299 Coronation Dr Milton QLD 4064	4,214	No
Capral Aluminium	71 Ashburn Road Bundamba QLD 4304	215	No
Centenary Power Tools	4/2C Spine St Sumner QLD 4074	159	No
Cleanaway Pty Ltd	PO Box 1824 Milton QLD 4064	478	No
Complete Weighing Solutions Pty Ltd	351 Macdonnell Rd Clontarf QLD 4019	490	No
Coregas	Cnr Pradella St & Ipswich Rd Darra QLD 4076	2,020	No
Customer deposits (various)	Various	134,374	No
Desco Workplace Supplies	3/23 Perivale St Darra QLD 4076	1,410	No
Duticall	4/14 Palmer Pl Murarrie QLD 4172	715	No
Employee 1-25	Redacted	139,421	Combination
Employee 1 - expenses	Redacted	341	No
Employee 2 - expenses	Redacted	250	No
Employee 3 - expenses	Redacted	77	No
Employee 4 - expenses	Redacted	1,350	Yes
Ferrea Pty Ltd (In Liquidation)	c/- McGrathNicol, GPO Box 9986 Brisbane QLD 4001	9,000	Yes
Fortress Automation	PO Box 1186 Paradise Point QLD 4216	688	No
Gate n Fence Products & Mobile Lock Supplies	4/20 Palings Ct Nerang QLD 4211	6,087	No
Get Test and Tag	342 Upper Roma St Brisbane City QLD 4000	749	No
Height 4 Hire	880 Boundary Road Richlands QLD 4077	1,616	No
Highway Aluminium	1/17 Hilldon Ct Nerang QLD 4211	568	No
Industrial Service and Sales (Insesa)	Notar Dr Ormeau QLD 4208	381	No
Infrabuild Trading Pty Ltd	Private Mail Bag No 1 St Marys NSW 1790	2,215	No
James Frizelle's Automotive Group Pty Ltd	65 High St Southport QLD 4215	451	No
Jono Holdings Pty Ltd	3/59 Beattie St Kallangur QLD 4503	1,744	No
KJ Bolt Trade Fasteners Pty Ltd	12/388 Newman Rd, Geebung QLD 4034	964	No
Knotwood Pty Ltd	2/63 Burnside Rd Stapylton QLD 4207	464	No
Luna Machinery Qld	9/38 Computer Rd Yatala QLD 4207	459	No
Millard Tyre Centre	37-39 Old Pacific Hwy Yatala QLD 4207	1,089	No
Mitre 10 MEGA Beenleigh	204 Main St Beenleigh QLD 4207	1,319	No
Moreton Metal Co Pty Ltd	11 Horizon Dr Beenleigh QLD 4207	3,760	No
Nice Australia Pty Ltd	8 Bennet Ave Melrose Park SA 5039	195	No
Nut & Bolt Factory (Qld) Pty Ltd	22 Deshon St Woolloongabba QLD 4102	1,835	No
Officeworks	147 Milton Road Milton QLD 4064	356	No
Precision Powder Coating	30 Christensen Rd Stapylton QLD 4207	128	Yes
Press Metal Aluminium (Australia) Pty Ltd	43 Motorway Cct Ormeau QLD 4207	5,748	No
Queensland Gate Automation (QGA)	Unit 21/9-15 Sinclair St Arundel QLD 4214	1,580	No
Resoflex Australia Pty Ltd	13/10 Burnside Rd Ormeau QLD 4208	190	No
Rexel Electrical Supplies	3/9 Graystone St Tingalpa QLD 4173	0	No
Superkote Glass Finishes	72 Blanck St Ormeau QLD 4208	7,407	No
Tasman Glass Pty Ltd	14 Harper St Molendinar QLD 4214	578	No
TEMS (Total Engineering & Mining Supplies P/L)	2/50 Union Cct Yatala QLD 4207	4,102	No
Tropical Plant Rentals	6 Pedvin Place Annangrove NSW 2156	143	No
Ultra Tune Beenleigh	131 George St Beenleigh QLD 4207	1,473	No
Viridian Glass	39 Graystone St Tingalpa QLD 4173	1,718	No
Wellington Enterprises Pty Ltd	9 Josephine St Loganholme QLD 4129	440	No

Ferrea Pty Ltd (In Liquidation) formerly trading as SEQ Powder Coating - list of creditors of the company to accompany Summary of Affairs pursuant to section 497(1)(a)(ii)

Creditor name	Creditor Address	Estimated amount of creditor's claim (\$)	Creditor is a related party of the company in liquidation (Yes/No)
Australian Taxation Office	PO Box 9003 Penrith NSW 2740	164,480	No
Cleanaway Pty Ltd	PO Box 1824 Milton QLD 4064	366	No
Ironwood Partners Pty Ltd	20 Gassman Drive Yatala QLD 4207	1,000,490	Yes



ASIC
Australian Securities &
Investments Commission

Insolvency information for directors, employees, creditors and shareholders

This information sheet (INFO 39) lists ASIC's information sheets for directors, employees, creditors and shareholders affected by a company's insolvency.

We have produced these with endorsement from the Australian Restructuring Insolvency & Turnaround Association (ARITA).

The information sheets give a basic understanding of the three most common company insolvency procedures – liquidation, voluntary administration and receivership – as well as the independence requirements for external administrators and approving external administrator remuneration. There is also a glossary of commonly used insolvency terms.

List of information sheets

- [INFO 41](#) Insolvency: A glossary of terms
- [INFO 42](#) Insolvency: A guide for directors
- [INFO 43](#) Insolvency: A guide for shareholders
- [INFO 45](#) Liquidation: A guide for creditors
- [INFO 46](#) Liquidation: A guide for employees
- [INFO 54](#) Receivership: A guide for creditors
- [INFO 55](#) Receivership: A guide for employees
- [INFO 74](#) Voluntary administration: A guide for creditors
- [INFO 75](#) Voluntary administration: A guide for employees
- [INFO 84](#) Independence of external administrators: A guide for creditors
- [INFO 85](#) Approving fees: A guide for creditors

Where can I get more information?

Further information is available from the [ARITA website](#). The ARITA website also contains the [ARITA Code of Professional Practice for Insolvency Practitioners](#).

This is **Information Sheet 39 (INFO 39)** updated on 1 September 2017. Information sheets provide concise guidance on a specific process or compliance issue or an overview of detailed guidance.