



Declaration of Independence, Relevant Relationships and Indemnities (DIRRI)

(Version 2.0)

Investmet Limited (In Liquidation) ACN 125 585 935 (Investmet)

The purpose of this document is to assist creditors with understanding any relationships that the Liquidators have and any indemnities or upfront payments that have been provided to the Liquidators. None of the relationships disclosed in this document are such that the independence of the Liquidators is affected.

This information is provided to you to enable you to make an informed assessment on any independence concerns, so you have trust and confidence in our independence and, if not, 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.

A. Independence

We, Rob Brauer and Rob Kirman of the firm McGrathNicol, have undertaken an assessment of the risks to our independence prior to accepting the appointment as Liquidators of Investmet in accordance with the law and applicable professional standards. This assessment identified no real or potential risks to our independence. We are not aware of any reasons that would prevent us from accepting this appointment.

B. Declaration of Relationships

B1. *Circumstances of appointment*

On 30 August 2019, Mr Chris Pearce of Blackwall Legal, the solicitor for Pit N Portal Mining Services Pty Ltd (**Pit N Portal**) in its winding up petition against Investmet, contacted Mr Kirman and Mr Brauer via email to enquire whether we would be in a position to act as Liquidators of Investmet.

On 3 September 2019 we provided Mr Pearce with a Consent to Act and following several adjournments the Supreme Court of Western Australia ordered that Investment be wound up on 19 February 2020 and that we be appointed Joint and Several Liquidators.

We believe the referral by Blackwall Legal does not result in a conflict of interest or duty because:

- it is unconditional;
- McGrathNicol has an ongoing professional relationship with Blackwall Legal that from time to time involves referrals for insolvency engagements. Each referral by Blackwall Legal is conducted on an entirely separate basis and is commenced only after full regard is given to potential conflicts of interest in relation to all interested parties;
- communication with Blackwall Legal was limited to obtaining background facts to check conflicts and receiving updates on the status of the proceedings, which were necessary from a planning perspective. This does not impact on our independence and does not result in any duty owed to Blackwall Legal or Pit N Portal that would conflict with our duties as Liquidators; and



- we have had no direct contact with Investmet or Pit N Portal regarding this matter and there is no ongoing professional relationship with either party in respect of Investmet.

B2. Prior professional services to the Insolvent

Neither we, nor our firm, have provided any professional services to, or in relation to Investmet in the previous 24 months.

B3. Relevant Relationships (excluding professional services to the Insolvent)

We, or a member of our firm, have, or have had within the preceding 24 months, a relationship with:

Name	Nature of relationship	Reasons
Whitestone Mining Services Pty Ltd (In Liquidation)	<p>Rob Kirman and Rob Brauer were appointed Liquidators of Whitestone Mining Services Pty Ltd (In Liquidation) (Whitestone) by the Federal Court of Western Australia on 30 April 2019. The petitioning creditor of Whitestone was the Australian Taxation Office.</p> <p>Investmet is related to Whitestone by way of:</p> <ul style="list-style-type: none"> ▪ ownership. Whitestone is a wholly owned subsidiary of Investmet; ▪ common directorship of several current and former officers of both companies; and ▪ loan accounts and other monies of circa \$1.4 million are owing between Investmet and Whitestone which appear to have arisen via Investmet’s historical funding of Whitestone. 	<p>We do not believe this relationship results in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> ▪ Clause 6.11 of the ARITA Code of Professional Practice provides that, whilst the potential for a conflict of interest may arise in ‘group’ circumstances, this must be considered in light of the commercial and practical benefits of a mutual liquidator being appointed; ▪ The Liquidators are of the view that appointment to both 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; and ▪ The loans and monies owing between Investmet and Whitestone are recorded in both parties’ financials for substantially the same amounts, do not appear to be disputed and are unlikely to be contentious. Should this not be the case, there are remedies that would be considered and implemented to resolve any potential conflict.
<u>Delta Resource Management Pty Ltd (Provisional Liquidators Appointed)</u>	<u>Rob Kirman and Rob Brauer were appointed Provisional Liquidators of Delta Resource Management Pty Ltd (Provisional Liquidators Appointed) (Delta) by the Supreme Court of Western Australia on 15 February 2022</u>	<p>We do not believe this relationship results in a conflict of interest or duty because:</p> <ul style="list-style-type: none"> ▪ <u>Our appointment as Provisional Liquidators of Delta was made by the Supreme Court of Western Australia, after full disclosure of the relationship between Investmet and Delta</u>



	<p><u>Investmet is related to Delta by way of:</u></p> <ul style="list-style-type: none"> ▪ <u>common directorship of Mr George Fotios (deceased);</u> ▪ <u>Delta has a security interest in all of Investmet's present and after acquired property registered on the Personal Property and Securities Register in support of a secured loan of circa \$825,000 (before interest); and</u> ▪ <u>Other unsecured monies owing between Delta and Investmet, including:</u> <ul style="list-style-type: none"> ○ <u>an unsecured loan owing from Investmet to Delta of circa \$1.6 million; and</u> ○ <u>accounts payable owing from Investmet to Delta of circa \$0.45 million.</u> 	<ul style="list-style-type: none"> ▪ <u>Clause 6.11 of the ARITA Code of Professional Practice provides that, whilst the potential for a conflict of interest may arise in 'group' circumstances, this must be considered in light of the commercial and practical benefits of a mutual liquidator being appointed;</u> ▪ <u>The Liquidators are of the view that appointment to both 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; and</u> ▪ <u>The monies owing between Investmet and Delta are recorded in both parties' financials for substantially the same amounts, do not appear to be disputed and are unlikely to be contentious. Should this not be the case, there are remedies that would be considered and implemented to resolve any potential conflict.</u>
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B5. No other relevant relationships to disclose

There are no other known relevant relationships, including personal, business and professional relationships, from the previous 24 months with Investmet, an associate of Investmet, a former insolvency practitioner appointed to Investmet or any person or entity that is entitled to enforce a security interest in the whole or substantially the whole of Investmet's property that should be disclosed.

C. Indemnities and up-front payments

We have not been indemnified in relation to this liquidation, other than any indemnities that we may be entitled to under statute, and we have not received any up-front payments in respect of our remuneration or disbursements.



Dated: 28 February 2022

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Rob Brauer, Liquidator

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Rob Kirman, Liquidator

Note:

If the circumstances change or new information is identified, we are required under the Corporations Act 2001 and the ARITA Code of Professional Practice 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.

Please note that the presentation of the above information is in accordance with the standard format suggested by ARITA.