

Circular to Creditors

**James Australia Pty Ltd ACN 000 975 191
Print National Nominees Pty Ltd ACN 098 730 431
TLT Nominees Pty Ltd ACN 133 250 307
Newcastle Liquor Wholesalers Pty Ltd ACN 135 338 635
Rugama Trading Pty Ltd ACN 135 068 147
(Receivers and Managers Appointed to all)
(Administrators Appointed to all)
("the Companies")**

I advise that Chris Honey and I were appointed Joint & Several Administrators of the Companies on 19 August 2013.

First statutory meeting of creditors

A first statutory meeting of creditors must be held within eight business days of my appointment. It has been convened for 29 August 2013. The statutory purpose of the first meeting is to allow creditors to determine whether a committee of creditors should be appointed and to appoint an alternative administrator if it is so resolved at the meeting. The meetings for the Companies will be held concurrently at the Wesley Conference Centre, 220 Pitt Street, Sydney NSW 2000 on 29 August 2013 at 9:00 AM. A formal Notice of Meeting is enclosed.

Creditors who intend to vote at the meeting are required to lodge a formal proof of debt. A blank proof of debt form along with instructions on how to complete it, are enclosed. Creditors who are unable to attend the meeting and wish to be represented should ensure that either a proxy form, power of attorney, or evidence of appointment of a company representative is completed. A blank proxy form is enclosed. Documents may be lodged with me prior to the meeting or may be brought to the meeting.

Report and second meeting

All creditors will receive a detailed report from me regarding the Companies' affairs before the second statutory meeting of creditors must be held. A decision on the Companies' future will be made at the second statutory meeting.

Declaration of Independence, Relevant Relationships and Indemnities

In accordance with Section 436DA of the Corporations Act 2001 and the Insolvency Practitioners' Association of Australia ("IPA") *Code of Professional Practice*, a Declaration of Independence, Relevant Relationships and Indemnities is enclosed for your information.

This declaration discloses information regarding our independence, any prior personal or professional relationships with the Companies or related parties and any indemnities received in relation to this appointment.

The partners and staff of McGrathNicol have extensive experience in Voluntary Administrations of large and small companies. McGrathNicol partners have acted as Voluntary Administrators for companies operating small to medium businesses, through to very large public companies.

D14-130821 David James Group- Circular to Creditors-JT

Remuneration

The Administrators' remuneration can only be fixed by resolution of creditors, a resolution of a committee of creditors or by application to the Court. Approval of our remuneration will be sought at the second meeting of creditors.

In accordance with the IPA's *Code of Professional Practice*, a Schedule of Remuneration Methods and Hourly Rates is enclosed for your information. A Remuneration Report providing details of the remuneration sought will be provided prior to the second meeting of creditors.

Other matters

No further credit should be extended to the Companies without an order signed personally by either the Receiver or their authorised representative, me as Administrator or one of my nominated staff. A separate circular will be issued to suppliers for authorisation and account arrangements if the Administrators require supply.

A copy of the "Insolvency information for directors, employees, creditors and shareholders" information sheet issued by the Australian Securities & Investments Commission ("ASIC") is enclosed for your information.

If you require any further information, please contact Chris King of my staff on (02) 9338 2613.

Dated: 22 August 2013



Shaun Fraser
Joint & Several Administrator

Enclosures:

Notice of Meeting

Proof of Debt

Instructions for Completion of Proof of Debt

Proxy

Information for attendance at meeting

Declaration of Independence, Relevant Relationships and Indemnities

Schedule of Remuneration Methods and Hourly Rates

ASIC "Insolvency information for creditors" information sheet