

DGW:WR:LM:D11  
L McCann

27 April 2010

**PERTH**  
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**WINDIMURRA VANADIUM LIMITED ACN 009 131 533  
(Receivers and Managers Appointed)  
(Subject to Deed of Company Arrangement)  
("the Company")**

**CIRCULAR TO CREDITORS**

ADELAIDE  
BRISBANE  
MELBOURNE  
SYDNEY  
HONG KONG  
JAKARTA  
KUALA LUMPUR  
MANILA  
MUMBAI  
SHANGHAI  
SINGAPORE  
TOKYO

I refer to the meeting of creditors held on 9 December 2009 at which creditors resolved to implement a Deed of Company Arrangement ("DOCA") for the Company.

I advise that a further meeting of creditors is to be held on 6 May 2010 to again consider the future of the Company following receipt of a proposed variation to the DOCA from Trident Capital Pty Ltd, which provides for a recapitalisation of the Company. Outcomes available at the meeting will include the decision whether to accept the terms of the DOCA variation proposal or to terminate the DOCA thereby placing the Company into liquidation.

Affiliated through  
Zolfo Cooper  
and  
Kroll Worldwide  
UNITED STATES  
UNITED KINGDOM

The meeting of creditors is to be held on **Thursday, 6 May 2010 at the offices of Ferrier Hodgson, Level 26, 108 St Georges Terrace, Perth WA at 10.30am AWST** in order that the appropriate resolutions may be passed as required.

I enclose the following regarding the meeting of creditors:

1. Notice of Meeting. Please note that the meeting commences at **10.30am AWST on Thursday, 6 May 2010**.
2. Informal Claim Form for Voting Purposes. If you have submitted one of these for the purposes of an earlier meeting of creditors or have submitted a Formal Proof of Debt form, you do not need to submit another one for this meeting.

A person is not entitled to vote at the meeting unless they provide the particulars of the debt or claim to the Deed Administrators before the meeting. Please note this form is for voting purposes only. All creditors must furnish details of their claims, indicating whether they rank as secured, preferential or unsecured, and whether they claim title to any goods supplied to the Company or any lien over goods in their possession which are property of the Company.

3. Appointment of Proxy Form. The form enables you to appoint another person to act on your behalf at the meeting. Proxy Forms submitted for an earlier meeting of creditors are not valid for this meeting. You must complete a



Proxy Form should you wish to vote at the meeting, unless you are representing yourself as an individual.

**The Informal Claim Form for Voting Purposes and Proxy Form should be lodged with this office before the meeting and, in any event, not later than 5pm on the day prior to the meeting.**

Forms can be sent by facsimile to (08) 9214 1400 marked to the attention of either Lauren McCann or Kaila George, or emailed to [wvl@perth.fh.com.au](mailto:wvl@perth.fh.com.au). In this regard, please note that the Corporations Regulation 5.6.36A requires lodgement of the original of the Proxy Form with the Deed Administrators' office within 72 hours of lodging the faxed/emailed copy.

4. Deed Administrators' report to creditors which includes:
  - a. An update on the status of various matters pertinent to the Company.
  - b. An opinion, with supporting reasons, on each of the following matters:
    - i. Whether it would be in creditors' best interest for the Company to execute the proposed DOCA variation; and
    - ii. Whether it would be in creditors' best interests for the DOCA to be terminated and the Company wound up.
  - c. The Deed Administrators' Remuneration Report.

### **The Deed Administrators' Remuneration Report**

The Deed Administrators' Remuneration Report includes detailed schedules explaining remuneration for the following:

- a. A summary of the work undertaken and work expected to be undertaken by the Deed Administrators and their staff under the DOCA.
- b. A schedule of the Deed Administrators' anticipated tasks and further remuneration estimate to the completion of the Deed of Company Arrangement.
- c. If the Deed of the Company Arrangement is varied, a schedule of the Trustees' anticipated tasks and further remuneration estimate to the completion of the Creditor's Trust.
- d. If the Company is placed into liquidation, a schedule of the Liquidators' anticipated tasks and remuneration estimate to the completion of the liquidation.

### **Remuneration of Trustees**

Where creditors resolve that the Company execute the varied DOCA proposal, the Trustees' intend that their remuneration be fixed on the basis of time spent by them

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and their staff of an appropriate level having regard to the nature and complexity of the work and calculated by reference to the hourly rates set out in the attached remuneration report. A further copy of the schedule of hourly rates is included in the Deed Administrators' report to creditors together with a schedule setting out the Trustees' likely tasks.

### **Remuneration of Liquidators**

Where creditors resolve that the Company is to be wound up, the Liquidators intend that their remuneration be fixed on the basis of time spent by them and their staff of an appropriate level having regard to the nature and complexity of the work and calculated by reference to the hourly rates set out in the attached remuneration report. A further copy of the schedule of hourly rates is included in the Deed Administrators' report to creditors together with a schedule setting out the Liquidators' likely tasks.

For further information concerning the Voluntary Administration process and Ferrier Hodgson, you may wish to visit our website at [www.ferrierhodgson.com](http://www.ferrierhodgson.com).

Should you have any queries in relation to this matter, please do not hesitate to contact either Lauren McCann or Kaila George of this office.

A handwritten signature in blue ink that reads 'weaver' in a cursive, lowercase style.

DARREN WEAVER  
Joint and Several Deed Administrator of  
Windimurra Vanadium Limited

Encl.

CORPORATIONS ACT 2001

NOTICE OF MEETING OF CREDITORS TO VARY OR  
TERMINATE DEED OF COMPANY ARRANGEMENT

WINDIMURRA VANADIUM LIMITED ACN 009 131 533  
(RECEIVERS AND MANAGERS APPOINTED)  
(SUBJECT TO DEED OF COMPANY ARRANGEMENT) ("the Company")

NOTICE is given that a meeting of the creditors of the Company will be held at the offices of **Ferrier Hodgson, Level 26, 108 St Georges Terrace, Perth WA, on 6 May 2010 at 10:30am (AWST).**

AGENDA

1. To receive the report of the Deed Administrators.
2. Questions from creditors.
3. For creditors to resolve:
  - a. that the Company vary the Deed of Company Arrangement; or
  - b. that the Deed of Company Arrangement be terminated and the Company be wound up
4. To consider and, if thought fit, approve the remuneration of the Deed Administrators.
5. If the Company is to execute the varied Deed of Company Arrangement, to fix the remuneration of the Deed Administrators and Trustees.
6. If the Company is wound up, to consider appointing a Committee of Inspection.
7. If no Committee is appointed, to fix the remuneration of the Liquidators.
8. If no Committee is appointed, to consider the destruction of the books and records at the conclusion of the winding up.
9. Any other business that may be lawfully brought forward.

Proxies to be used at the meeting should be lodged at the office of the Joint and Several Deed Administrators by 5.00pm on the day prior to the meeting. A creditor can only be represented by proxy or by an attorney pursuant to Corporations Regulations 5.6.28 and 5.6.32 (inclusive) or if a body corporate by a representative appointed pursuant to Section 250D.

In accordance with Regulation 5.6.23(1) of the Corporations Regulations, creditors will not be entitled to vote at this meeting unless they have previously lodged particulars of their claim against the Company in accordance with the Corporations Regulations and that clause has been admitted for voting purposes wholly or in part by the Deed Administrators.

DATED this 27<sup>th</sup> day of April 2010.



Darren Weaver  
Joint and Several Deed Administrator of  
Windimurra Vanadium Limited

INFORMAL CLAIM FORM FOR VOTING PURPOSES

Regulation 5.6.47

WINDIMURRA VANADIUM LIMITED ACN 009 131 533  
(RECEIVERS AND MANAGERS APPOINTED)  
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)

Name of creditor: .....

Address of creditor: .....

.....

ABN: .....

Telephone number: .....

Amount of debt claimed: \$..... (including GST \$..... )

Consideration for debt (i.e. the nature of goods or services supplied and the period during which they were supplied):

.....

.....

.....

Is the debt secured? YES/NO

If secured, give details of security including dates, etc:

.....

.....

.....

Other information:

.....

.....

.....  
Signature of Creditor  
(or person authorised by creditor)

**Notes:**

Under the Corporations Regulations, a creditor is not entitled to vote at a meeting unless (Regulation 5.6.23):

- a. his or her claim has been admitted, wholly or in part, by the Joint and Several Administrators; or
- b. he or she has lodged with the Joint and Several Administrators particulars of the debt or claim, or if required, a formal proof of debt.

At meetings held under Section 436E and 439A, a secured creditor may vote for the whole of his or her debt without regard to the value of the security.

Proxies must be made available to the Joint and Several Administrators.

**CORPORATIONS ACT 2001  
APPOINTMENT OF PROXY CREDITORS MEETING**

**WINDIMURRA VANADIUM LIMITED ACN 009 131 533  
(RECEIVERS AND MANAGERS APPOINTED)  
(SUBJECT TO DEED OF COMPANY ARRANGEMENT) (“the Company”)**

\*I/\*We<sup>1</sup> .....  
of .....  
a creditor of the Company, appoint<sup>2</sup> .....  
or in his absence as.....

\*my/our \*(i) general OR \*(ii) special proxy<sup>3</sup> to vote at the meeting of creditors to be held on Thursday, 6 May 2010 or at any adjournment of that meeting, to vote

(i) on all matters arising at the meeting; OR

(ii) on each of the following kinds of resolution in the manner specified:

	For	Against	Abstain
(a) A resolution that the Company execute the Deed of Company Arrangement (“DOCA”) variation proposed in the Deed Administrators’ report to creditors dated 27 April 2010;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) A resolution that the Company be wound up;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(c) A resolution that the Deed Administrators’ remuneration for the period 31 December 2009 to the 11 April 2010 in the sum of \$63,633.67 (exclusive of GST) be approved;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(d) A resolution that the Deed Administrators estimated remuneration from the 12 April 2010 to the 6 May 2010 in the sum of \$10,000 (exclusive of GST) be approved;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(e) Should creditors elect to vote in favour of the varied DOCA proposal, a resolution that the Deed Administrators’ remuneration for the period 6 May 2010 to the termination of the varied DOCA in the sum of \$30,000 (exclusive of GST) be approved;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(f) Should creditors elect to vote in favour of the varied DOCA proposal, a resolution that the Trustees’ remuneration for the period from the execution to the termination of the Creditors’ Trust in the sum of \$30,000 (exclusive of GST) be approved;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(g) If the Company is placed into liquidation, a resolution that the liquidators’ remuneration be fixed in accordance with the hourly rates of Ferrier Hodgson in the amount of \$100,000 (plus GST) and that the Liquidators be authorised to make periodic payments on account of such accruing remuneration;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(h) If the Company is placed into liquidation, a resolution that a Committee of Inspection be appointed;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(i) A resolution that the books and records of the Company be disposed of 12 months after the dissolution of the company or earlier at the discretion of the ASIC.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

\* Strike out if inapplicable

<sup>1</sup> If a firm, strike out “I” and set out the full name of the firm.

<sup>2</sup> Insert the name, address and description of the person appointed.

<sup>3</sup> If a special proxy add the words “to vote for” or the words “to vote against” and specify the particular resolution.

DATED this                      day of                      2010

.....  
Signature<sup>5</sup> of individual or person<sup>6</sup>  
authorised by corporate resolution to  
represent the corporation

OR      The Common Seal of<sup>4</sup>  
  
was hereunto affixed in the  
presence of

.....  
Director

.....  
Secretary

CERTIFICATE OF WITNESS<sup>7</sup>

I, ..... of .....  
certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person  
appointing the proxy and read to him before he attached his signature or mark to the instrument.

DATED this                      day of                      2010

.....  
Signature of Witness

.....  
Description

.....

.....  
Place of Residence

<sup>4</sup> The method of affixing the Common Seal is prescribed in Section 127(2) of the Corporations Act 2001 and, usually, the creditor corporation's constitution.

<sup>5</sup> The signature of the creditor is not to be attested by the person nominated as proxy.

<sup>6</sup> A corporation may only be represented by proxy or by an attorney appointed pursuant to Corporations Regulations 5.6.28 and 5.6.31A respectively or, by a representative appointed under Section 250D of the Corporations Act 2001. Copy of authority/power of attorney to be annexed.

<sup>7</sup> This certificate is to be completed only where the person giving it is blind.