

ASX ANNOUNCEMENT

23 December 2014

CONQUEST AGRI LIMITED
(ADMINISTRATORS APPOINTED)
ACN 091 320 464

Attached is the Voluntary Administrators' Second Report to Creditors, issued pursuant to Section 439A of the *Corporations Act 2001* (Cth). A meeting of creditors has been convened to be held on Wednesday, 7 January 2015 at 10:00am.

Any shareholder or creditor queries can be directed to Michelle Levin and Sean Wengel at our Sydney office via email to conquestagri@williambuck.com.

Please note our office will be closed from 24 December 2014 and will reopen on 5 January 2015.

Yours faithfully
Conquest Agri Limited



Robert Whitton
Joint and Several Administrator

**CHARTERED ACCOUNTANTS
& ADVISORS**

Sydney Office
Level 29, 66 Goulburn Street
Sydney NSW 2000
Telephone: +61 2 8263 4000

Parramatta Office
Level 7, 3 Horwood Place
Parramatta NSW 2150
PO Box 19
Parramatta NSW 2124
Telephone: +61 2 8836 1500
williambuck.com

Form 529
Notice of Meeting of Creditors

Conquest Agri Limited
(Administrators Appointed)
ACN 091 320 464

NOTICE is given that a meeting of the creditors of the company will be held at the office of William Buck, Level 29, 66 Goulburn Street, Sydney NSW 2000 on Wednesday, 7 January 2015 at 10:00am.

AGENDA

1. Receive a report by the Joint and Several Administrators.
2. Consider the remuneration of the Joint and Several Administrators.
 - I. That the remuneration of the Joint and Several Administrators for the period from 5 December 2014 to 18 December 2014 be fixed and approved on a time basis in accordance with the hourly rates of William Buck set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$26,294.50 plus GST, subject to and conditional upon funds becoming available.
 - II. That the remuneration of the Joint and Several Administrators for the period from 19 December 2014 to the conclusion of the administration be fixed and approved on a time basis in accordance with the hourly rates of William Buck set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$10,000.00 plus GST, subject to and conditional upon funds becoming available.
3. Receive a statement setting out the Joint and Several Administrators' opinion and reasons about whether it would be in the creditors' interests and for creditors to resolve:
 - a) that the Administration end; or
 - b) that the company execute a Deed of Company Arrangement; or
 - c) that the company be wound up.
4. **If the company executes a Deed of Company Arrangement**, consider that Robert Whitton, Brendan Copeland and Sean Wengel be appointed as Joint and Several Deed Administrators.
5. **If the company executes a Deed of Company Arrangement**, that the future remuneration of the Joint and Several Deed Administrators for the period from

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execution of the Deed to the conclusion of the Deed Administration be fixed and approved on a time basis in accordance with the hourly rates of William Buck as set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$40,000.00 plus GST, subject to and conditional upon funds becoming available, beyond which further approval may to be sought in accordance with the Corporations Act.

6. **If the company is wound up**, to consider the appointment of the Liquidator.
7. **If the company is wound up**, that the future remuneration of the Joint and Several Liquidators for the period from 7 January 2015 to the conclusion of the Liquidation be fixed and approved on a time basis in accordance with the hourly rates of William Buck as set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$35,000.00 plus GST, subject to and conditional upon funds becoming available, beyond which further approval may to be sought in accordance with the Corporations Act.
8. **If the company is wound up**, to consider the appointment of a Committee of Inspection, and if so, who are to be the committee's members.
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 Administrator by 4:00pm the business day prior to the meeting. Corporate creditors can only be represented by proxy or attorney pursuant to the Corporations Regulations 5.6.28 and 5.6.31A, or if a body corporate by a representative appointed pursuant to Section 250D.

In accordance with Regulation 5.6.23(1), creditors will not be entitled to vote at this meeting unless they have lodged a claim against the company with the Administrator.

Telephone Conferencing Facilities

In accordance with regulation 5.6.13A of the Corporations Regulations, telephone conference facilities are expected to be available at the above meeting. A person who wishes to participate at any meeting by telephone must give to the convenor, **not later than 4pm on Tuesday, 6 January 2015**, a written statement setting out:

1. The name of the person;
2. An address to which notices to the person may be sent;
3. A telephone number at which the person may be contacted at the time of the meeting; and
4. Any facsimile transmission number to which notices to the person may be sent.

The person who participates in a meeting by telephone must pay any costs incurred by the person in participating and is not entitled to be reimbursed for those costs from the assets of the company.

The telephone conferencing facility can be accessed by dialling (02) 8264 4222. Please contact this office prior to the meeting obtain the relevant access codes.

DATED this 23rd day of December 2014

A handwritten signature in black ink, appearing to read 'R. Whitton', written over a horizontal line.

Robert Whitton
Joint and Several Administrator

Form 532
Appointment of Proxy Creditors Meeting

Conquest Agri Limited
(Administrators Appointed)
ACN 091 320 464

*I/*We (1).....

of
a creditor of Conquest Agri Limited, appoint (2)

.....
or in his or her absence

as *my/our *general/special proxy to vote at the meeting of creditors to be held on Wednesday,
7 January 2015 at 10:00am or at any adjournment of that meeting and to vote:

generally as he/she determines on my/our behalf

OR

specifically in accordance with the following special instructions (3):

Proposed Resolutions	To Vote For	To Vote Against	Abstain
1. That the remuneration of the Joint and Several Administrators for the period from 5 December 2014 to 18 December 2014 be fixed and approved on a time basis in accordance with the hourly rates of William Buck set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$26,294.50 plus GST, subject to and conditional upon funds becoming available.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. That the remuneration of the Joint and Several Administrators for the period from 19 December 2014 to the conclusion of the administration be fixed and approved on a time basis in accordance with the hourly rates of William Buck set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$10,000.00 plus GST, subject to and conditional upon funds becoming available.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Please only nominate one of the following: a) That the Administration end b) That the company execute a Deed of Company Arrangement c) That the company be wound up	a) <input type="checkbox"/> b) <input type="checkbox"/> c) <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>
4. If the company executes a Deed of Company Arrangement , that Robert Whitton, Brendan Copeland and Sean Wengel be appointed as Joint and Several Deed Administrators.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. If the company executes a Deed of Company Arrangement , that the future remuneration of the Joint and	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CERTIFICATE OF WITNESS

This certificate is to be completed only if the person giving the proxy is blind or incapable of writing.
The signature of the creditor, contributory, debenture holder or member must not be witnessed by the person nominated as proxy.

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 or her before he or she signed or marked the instrument.

Dated:

Signature of Witness:

Description:

Place of Residence:

ELECTRONIC DELIVERY AUTHORISATION

Regulation 5.6.11A

I/We authorise the delivery of any future notice, report or document to the following:

Email Address

Signature of individual or person authorised by corporation resolution to represent corporation

Form 535
Formal Proof of Debt or Claim (General Form)

ACN 091 320 464

To the Joint and Several Administrators of Conquest Agri Limited (Administrators Appointed)

1. This is to state that the company was, on 5 December 2014 and still is, justly and truly indebted to⁽²⁾
.....
..... for
..... dollars and..... cents.

Particulars of the debt are:

Date	Consideration ⁽³⁾	Amount \$	GST included \$	Remarks ⁽⁴⁾
------	------------------------------	--------------	-----------------------	------------------------

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any manner of satisfaction or security for the sum or any part of it except for the following:⁽⁵⁾

Date	Drawer	Acceptor	Amount \$	Date Due
------	--------	----------	--------------	----------

- 3.* I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.⁽⁶⁾
- 3.* I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred and for the consideration stated and that the debt, to the best of my knowledge and belief, still remains unpaid and unsatisfied.⁽⁶⁾

DATED this day of 20

Signature of Signatory
NAME IN BLOCK LETTERS.....
Occupation.....
Address

OFFICE USE ONLY

POD No:		ADMIT - Ordinary	\$
Date Received:	/ /	ADMIT - Preferential	\$
Entered into IPS/Computer:		Reject	\$
Amount per RATA	\$	H/Over for Consideration	\$
PREP BY/AUTHORISED		TOTAL PROOF	\$
DATE AUTHORISED / /			

Directions

- * Strike out whichever is inapplicable.
- (1) Insert date of Court Order in winding up by the Court, or date of resolution to wind up, if a voluntary winding up.
 - (2) Insert full name and address (including ABN) of the creditor and, if applicable, the creditor's partners. If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor.
 - (3) Under "Consideration" state how the debt arose, for example "goods sold and delivered to the company between the dates of", "moneys advanced in respect of the Bill of Exchange".
 - (4) Under "Remarks" include details of vouchers substantiating payment.
 - (5) Insert particulars of all securities held. Where the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, specify them in a schedule in the following form:

Date	Drawer	Acceptor	Amount	Date Due
	\$	¢		

-
- (6) If proof is made by the creditor personally, strike the two (2) paragraphs numbered 3.
-

Annexures

- A. If space provided for a particular purpose in a form is insufficient to contain all the required information in relation to a particular item, the information must be set out in an annexure.
- B. An annexure to a form must:
 - (a) have an identifying mark;
 - (b) and be endorsed with the words:
 - i) "This is the annexure of *(insert number of pages)* pages marked *(insert an identifying mark)* referred to in the *(insert description of form)* signed by me/us and dated *(insert date of signing)*; and
 - (c) be signed by each person signing the form to which the document is annexed.
- C. The pages in an annexure must be numbered consecutively.
- D. If a form has a document annexed the following particulars of the annexure must be written on the form:
 - (a) the identifying mark; and
 - (b) the number of pages.
- E. A reference to an annexure includes a document that is with a form.

Second Report to Creditors

**Conquest Agri Limited
(Administrators Appointed)
ACN 091 320 464**

We refer to our first report to creditors dated 8 December 2014 wherein we advised of our appointment as Joint & Several Administrators of Conquest Agri Limited ("Conquest") on 5 December 2014 pursuant to Section 436A of the Corporations Act 2001 ("the Act").

A first meeting of creditors was held on 17 December 2014. At the meeting, our appointment as Administrators was confirmed and a committee of creditors was not formed. Minutes of the meeting have been lodged with the Australian Securities & Investments Commission ("ASIC").

We now provide our report pursuant to Section 439A of the Act which details the findings of our investigations into the Company business, property, affairs and financial circumstances, and states our opinion regarding the Company's future.

It is our opinion that at the meeting of creditors to be held on 6 January 2015, the creditors resolve that the Company execute a Deed of Company Arrangement as proposed by the secured creditor, as it provides for more certainty of payment and a greater return to creditors than in a winding up (Liquidation). Further details of our reasons for this recommendation are set out in Section 11 of this report.

This report will cover the following matters:

1. Declaration of Independence, Relevant Relationships and Indemnities
2. Company Statutory Details
3. Company History and Reasons for Appointment of the Administrators
4. Report as to Affairs
5. Financial Information
6. Books and Records
7. Proposal for a Deed of Company Arrangement
8. Investigations, Voidable Transactions, Related Parties and Offences
9. Estimated Return
10. Options Available and Administrators' Opinion
11. Second Meeting of Creditors
12. Remuneration of External Administrators
13. Disclaimer

1. Declaration of Independence, Relevant Relationships and Indemnities

We refer to our Declaration of Independence, Relevant Relationships and Indemnities attached to our first report to creditors and advise there have been no changes to same.

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2. Company Statutory Details

A review of a current and historical search obtained from the ASIC database and Personal Property Securities Register ("PPSR") at the date of our appointment discloses the following information:

Date of Incorporation: 19 April 2005

State of Incorporation: New South Wales

Registered Office: Level 18
50 Cavill Avenue
SURFERS PARADISE QLD 4217

Principal Place of Business: Level 18
50 Cavill Avenue
SURFERS PARADISE QLD 4217

Current Directors and Secretary:

Name	Position Held	Appointment Date
Steven Allan Cole	Secretary	17 August 2010
Steven Allan Cole	Director	6 June 2014
Matthew Stephen Denton	Director	28 September 2010
Larry Colin Shutes	Director	19 April 2005

Shareholding:

The Company is publicly listed on the Australia Securities Exchange ("ASX"). Computershare Investor Services Pty Limited maintains the share registry.

We note that as per a search of the ASIC register at the time of our appointment, the Company had issued 69,296,689 ordinary shares, paid to the amount of \$6,716,111.

Registered Security Interests:

We have conducted a search of the Personal Property Securities Register ("PPSR") and have identified the following registration against the Company's property.

Secured Creditor	PPSR Registration	Collateral Class
Charter Pacific Corporation Limited	201210310092165	All present and after-acquired property

We are aware however that post our appointment, Charter Pacific Corporation Limited assigned its debt and security interest.

We have reviewed the PPS Registration alongside the security agreement giving rise to the security interest and consider the registration to be valid.

Further details regarding the above secured creditor is provided in Section 4.4 of this report.

3. Company History and Reasons for Appointment of the Administrators

Conquest is the parent company to a number of subsidiary companies. The majority of Conquest's subsidiaries have been deregistered or placed into external administration.

The following sections provide a summary of the evolution of the Company's business activities through its various name changes and the restructure of its operations up until the date of our appointment.

3.1 ETT Limited

ETT Limited ("ETT") was incorporated on 19 April 2005 and operated in the technology sector with its primary activity consisting of operating its PATLOC Business, which provided a prepaid public internet access solution through terminals in accommodation houses in Australia.

Following reported losses after income tax for the financial year ended 31 March 2009, the Directors reviewed a number of opportunities for investment with the objective to substantially grow shareholder value.

In October 2009, ETT entered into an agreement with shareholders of FarmWorks Merchandise Services Pty Ltd ("FMS") to purchase 100% of the issued shares in FMS which amounted to a change in the nature and scale of ETT's activities.

FMS was established in Western Australia in 2001, as a specialist provider of rural merchandise to the Australian agricultural industry. The business activities of FMS, conducted under the name of its various subsidiaries, include:

- Merchandise services and sales;
- Livestock sales;
- Brokering services for financial products tailored to the rural market; and
- Rural property sales

The proposed acquisition of FMS and its subsidiaries was completed on 19 March 2010.

Furthermore, on 2 March 2010, ETT entered into an agreement with Photo-Me Australia Limited ("Photo Me") for the sale of its PATLOC business in the amount of \$200,000. Prior to the purchase, Photo-Me was appointed as a service provider, allowing it to operate the PATLOC Business in return for a fee in order to allow ETT to focus on the proposed acquisition of FMS.

On 15 March 2010, ETT changed its name to FarmWorks Australia Limited ("FarmWorks").

3.2 FarmWorks Australia Limited

On 28 February 2012 the Farmworks Group announced the sale of its agency and branch network as a part of strategic program to focus on its business of crop protection products. This restructure resulted in the livestock, real estate, financial services and retail branch and agency network being divested.

On 3 May 2012, the Company announced that it had completed the sale of the its Western Australian retail branch and agency network to Farmworks Rural Pty Ltd, a 100% owned subsidiary of Ruralco Holdings Limited ("RHL"). Pursuant to the arrangement, the Company's 100% wholly-owned subsidiary, Conquest

Crop Protection Pty Ltd ("Conquest Crop"), was arranged to supply Conquest products to the RHL distribution network.

As part of the transaction the Company agreed to change its name, subject to Shareholders' approval, to avoid confusion in the market place as the RHL retail network continued to operate under the "FarmWorks" name.

Accordingly, on 10 September 2012, the Company changed its name to Conquest Agri Limited.

We note that the following subsidiaries of the Company are currently registered on the ASIC database but are not actively trading and that we are not directly appointed over these subsidiaries:

- FarmWorks Australia Financial Services Pty Ltd;
- FMS; and
- Conquest Crop Protection Pty Ltd; and
- FarmWorks Australia Livestock Pty Ltd (In Liquidation).

3.3 Conquest Agri Limited

On 5 October 2012, Messrs Martin Jones and Andrew Saker of Ferrier Hodgson were appointed as Joint and Several Administrators of Conquest Crop and FMS. Conquest Crop was the only remaining operating entity in the Conquest group.

On 10 January 2013, Conquest Crop and FMS entered into a Deed of Company Arrangement which was subsequently varied.

On 18 February 2013, the Deed Administrators lodged a 'Notice of Termination of DOCA Where Arrangement Achieves its Purpose' with ASIC, thereby finalising the administration of Conquest Crop and FMS.

Mr Steven Cole, a director of Conquest advised that the Company effectively ceased trading upon the appointment of Joint and Several Administrators to Conquest Crop and FMS, being 5 October 2012.

Mr Cole informed us within his questionnaire that the Company was actively seeking a new business enterprise for approximately 2 years since the completion of the Conquest Crop and FMS DOCA's in 2013.

In early 2014, the opportunity to acquire all of the ordinary shares of Priority One Group Limited ("Priority One") was presented to the Company. Upon consideration, the board decided that the opportunity presented the reasonable promise of generating strong revenues and profits for shareholders.

In May 2014, the Company successfully raised \$500,000 through the issue of convertible notes which was reportedly used to allow Conquest to meeting ongoing expenses and fund the due diligence costs associated with the Priority One acquisition. Enquiries have been undertaken by this office in relation to the usage of these funds and is referred to in section 8.1 of this report.

By the end of September 2014, the Company was positioned to complete the proposed acquisition of Priority One subject to a number of negotiated conditions being met by Priority One. However by late October 2014, it was evident to the Company that Priority One could not satisfy those conditions. The Company, acting upon legal advice, abandoned the proposed acquisition of the shares of Priority One.

On 8 December 2014, as a result of the appointment of Voluntary Administrators and pursuant to Rule 8.4.1(a) and Rule 8.4.1(d) of the ASX Settlement Operating Rules, the ASX suspended trading in the ordinary shares of Conquest for a period of 60 days.

4. Report as to Affairs

The directors submitted a Report as to Affairs ("RATA") regarding the Company's financial position as at the date of our appointment. A summary of the RATA and the Administrators' estimated realisable value ("ERV") follows:

	Notes	RATA (\$)	Administrators' ERV (\$)
Assets			
Cash at Bank	4.1	381	381
Debtors	4.2	246,194	246,194
Shares – Priority One	4.3	180,744	Unknown
Total Assets		427,3119	246,575
Liabilities			
Secured Creditor	4.4	Nil	1,341,341
Employee Creditors	4.5	298,605	298,605
Unsecured Creditors	4.6	659,338	734,730
Total Liabilities		957,943	2,374,676
Total Net Asset / (Deficiency) Subject to Costs of Administration		(530,624)	(2,128,101)

4.1 Cash at Bank

Upon our appointment we wrote to various financial institutions to confirm whether they held any accounts in the name of the Company.

Mr Cole advised within his questionnaire that the Company held accounts with Westpac Banking Corporation ("WBC") and Bankwest and has provided bank account statements for the relevant accounts.

I am yet to receive a response from any other financial institution confirming accounts held in the name of the Company.

4.2 Debtors

The directors disclosed the following debtors within the RATA:

Debtor	Amount (\$)	Comment as per RATA
Centurion Securities & Investment Services Pty Ltd	20,000	Debt relates to an unsecured loan
Priority One Network Group Limited	212,229	Debt is in respect to an unsecured loan on a convertible note basis, inclusive of interest
Australian Taxation Office	14,685	Debt is in relation to a GST refund due to the Company
Total	246,914	

On 9 December 2014, we wrote to Priority One requesting payment of interest in respect to the convertible note which took effect on 8 November 2014, raising a debt due to the Company in the amount of \$10,000.

On 20 November 2014, a Statement of Claim was filed by the Company against Centurion Securities & Investment Services Pty Ltd ("Centurion") in the Magistrates Court of Queensland for repayment of \$20,000. We have since received notice of a defence to the claim and are considering further action.

The realisable value of the Priority One debt is unknown and dependent upon the likely success of any relisting that company is successful with.

4.3 Shares – Priority One

The directors disclosed an investment within the RATA which constitutes 69,296,689 shares in Priority One with an estimated value of \$180,744. Refer to section 7 of this report for the planned treatment of the Priority One shares within the proposed Deed of Company Arrangement. We are unable to quantify the realisable value of these shares.

4.4 Secured Creditor

On 30 October 2012, the major shareholder of the Company, Charter Pacific Corporation Limited ("CPC"), granted a loan to Conquest and thereby registered a circulating and non-circulating security interest over the assets of the Company in order to secure the loan.

Although the directors did not disclose the debt due to CPC in the RATA, Mr Cole noted within his questionnaire the existence of a secured debt which was assigned to a third party.

In December 2014, CPC assigned the debt due from the Company and at this date, it is believed that the quantum of the debt due and payable is in the amount of \$1,354,173.

4.5 Employee Creditors

Employee creditors constitute the following outstanding wages, superannuation and consulting fees due to current and former directors of the Company.

Creditor Name	Current or Former Director	Wages (\$)	Superannuation (\$)	Consulting (\$)	Total (\$)
Larry Shutes	Current	105,865	9,739	-	115,604
Mathew Denton	Current	58,077	5,367	42,488	105,932
Steven Cole	Current	15,077	1,427	-	16,504
Kevin Dart	Former	55,500	5,065	-	60,565
Total (\$)		234,519	21,598	42,488	298,605

Creditors will note that all of the above claims constitute those of excluded employees, other than to the extent of \$2,000 per director in respect to unpaid wages and superannuation.

An excluded employee is defined within Section 9 of the Act as an employee of the Company who has been on the past 12 months from the date of the appointment or who was at any time since the date of the appointment, a director of the Company.

In accordance with Section 556(1A) of the Act, excluded employees are limited to a claim of \$2,000 each in respect to wages and superannuation. Consulting fees are considered to be captured within the aforementioned Section.

4.6 Unsecured Creditors

We are aware of the following unsecured creditors:

Unsecured Creditor	Claim Amount (\$)
ASX Operations	500
Barraket Stanton Lawyers	1,461
Computershare Investor Services	1,996
JDD Pacific	50
Pitcher Partners	81,894
Supro Solutions	42,488
Telstra Corporation Ltd	162
Totally Confidential Records Management	160
Convertible Noteholders:	
Ezycash International Pty Ltd	25,842
Denis Leslie Hoare	25,842
Garry Robert O'Sullivan	25,842
George and Marlene Atzemis	52,849
Regency Developments (WA) Pty Ltd	343,521
Tower Holdings (WA) Pty Ltd	132,123
Total	734,730

Creditors are advised that the above amounts may be subject to change. Additional claims may be received during the course of the administration.

Creditors wishing to lodge a claim against either Company should do so by completing the attached Proof of Debt form and submitting same to my office, together with full supporting evidence.

5. Financial Information

We have received copies of the audited financial reports of the Company for the financial years ended ("FYE") 2012, 2013 and 2014. The Company's financial reporting period for each FYE encompasses the period 1 October to 30 September.

We note that although the accounts have been audited we do not warrant the accuracy, completeness or reliability of same.

A summary of the Company's profit and loss accounts provided to us follows:

	FYE 30/09/14 (Consolidated) \$	FYE 30/09/13 (Consolidated) \$	FYE 30/09/12 (Consolidated) \$
Revenues	53,527	51,024	46,059,388
Expenses from ordinary activities	(805,761)	(401,015)	(53,780,275)
Finance costs	(175,261)	(1,649)	(2,078,276)
Depreciation and amortisation expense	-	-	(247,912)
Income tax expense	(680)	(618)	(1,237)
Profit from discontinued operation	-	7,665,891	-
Profit / (Loss)	(928,175)	7,313,633	(10,048,312)

A summary of the Company's balance sheet follows:

	As at 30/09/14 (Consolidated) \$	As at 30/09/13 (Consolidated) \$	As at 30/09/12 (Consolidated) \$
Assets			
Current Assets	248,129	3,194	12,831,494
Non-current Assets	-	-	454,939
Total Assets	248,129	3,194	13,286,433
Liabilities			
Current Liabilities	2,254,577	1,262,241	21,817,869
Non-Current Liabilities	-	-	70,026
Total Liabilities	2,254,577	1,262,241	21,887,895
Net Assets / (Liabilities)	(2,006,448)	(1,259,047)	(8,601,462)

A summary of the Company's liquidity ratio is as follows:

Ratios	FYE 30/09/14 \$	FYE 30/09/13 \$	FYE 30/09/12 \$
Current	0.59	0.003	0.11

We comment on the above financial information as follows:

- i. The consolidated entity showed a loss of \$10,048,312 incurred during FYE 2012 which reflects the restructure of the group through the divestment of its non-core divisions in addition to the appointment of Voluntary Administrators to the consolidated entity's wholly owned subsidiaries resulting in the impairment of intangible assets and deferred tax assets of the group;
- ii. The profit made during FYE 2013 of \$7,313,633 was a result of the gain on deconsolidation as a direct consequence of the disposal of Conquest Crop and cessation of the business activities of FMS by the appointed Deed Administrators;

- iii. The loss incurred during FYE 2014 is attributed to the costs borne during the restructuring of the Company and the due diligence and documentation process for the proposed acquisition of Priority One which was abandoned on 30 October 2014; and
- iv. The Company maintained a deficient net asset position and a current ratio of below one at each balance date indicating the Company was likely to experience difficulty paying debts. It should be noted that there was an expectation a suitable business would be acquired and incorporated into the entity thus it is unlikely these ratios alone could be relied upon to establish a case of insolvent trading.
- v. The Company was also being supported by its major shareholder and then secured creditor, Charter Pacific Corporation Ltd.

6. Books and Records

The directors have provided us with comprehensive books and records of the Company. We have reviewed the Company's records. Based on the books and records in our possession, it is our opinion that the Company has kept written financial records to correctly record and explain its transactions and financial position and performance to enable true and fair financial statements to be prepared and audited in accordance with Section 286 of the Act.

7. Proposal for a Deed of Company Arrangement

A proposal for a Deed of Company Arrangement ("Deed") has been submitted.

The basis of the proposed Deed (copy attached) is as follows:

- A Deed Fund will be established to meet the remuneration and expenses of the Joint & Several Voluntary Administrators and the Joint Deed Administrators;
- The Deed Fund will comprise:
 - Pre-appointment cash at bank monies;
 - Cash amounts recovered during the Voluntary Administration and Deed of Company Arrangement including those of the Company's subsidiaries;
 - Debtor amounts owing to the Company (which are doubtful);
 - Amounts owed to the Company in respect to Loans and/or Convertible Notes;
 - Shares owned by the Company; and
 - Any other assets realised during the course of the Voluntary Administration and Deed of Company Arrangement including those of the Company's subsidiaries.
- The Secured Creditor debt will be converted to equity in the Company via the issue of fully paid shares at the rate of 373 shares for every dollar of the admitted Secured Creditor claim;
- Convertible Noteholders will be distributed in-specie shares in Priority One owned by the Company valuing such Priority One shares at the rate of 50 shares per dollar of their admitted claims; and
- Other creditors' debt, including unsecured creditors except for Convertible Noteholders, will be converted to equity in the Company via the issue of fully paid ordinary shares at the rate of 50 shares for every dollar of their admitted claim.

In the event that a Deed is executed, possible Liquidators' recoveries under Part 5.7B of the Act will not be available.

8. Investigations, Voidable Transactions, Related Parties and Offences

We have conducted investigations into the Company's affairs subsequent to our appointment in the limited time available to us. Our investigations have been restricted to the books and records which we have received from the Company and its director, including the Company's financial records and bank statements. We note we have been limited by the statutory time frame imposed upon us. We have not audited the Company's records and as such, we are not able to provide any guarantee or warranty regarding the accuracy, completeness or reliability of the information contained therein and in this report. If any aspect of this report is later proved to be incorrect, we reserve the right to withdraw and amend it.

Our investigations have also included enquiries and searches with various authorities including the ASIC, ATO, NSW Roads and Maritime Services and utility providers.

We are required to provide details of whether we have identified any transactions that may be potentially voidable or recoverable by a Liquidator under Part 5.7B of the Act.

Following is a summary of investigations into the Company's affairs and voidable transactions which may be recoverable by a Liquidator. We reiterate that the investigations conducted to date are only preliminary in nature, and we expect to conduct significant further investigations should the Company be placed into liquidation.

8.1 Convertible Note Issue

Convertible notes raising \$575,000 were issued by Conquest in the period since May 2014. We have recovered records from the company which indicate the funds were directed towards the purchase of shares in Priority One, due diligence costs associated with the intended acquisition of the Priority One business and to meet ongoing expenses of Conquest in order to remain a going concern. The disbursement of these funds have been considered in light of the provisions of the Corporations Act detailed below in this section.

In particular, the due diligence costs included legal fees associated with the proposed acquisition and an Expert Report on the value of the Priority One shares. These transactions appear to be appropriate in the circumstances.

The partial repayment of a loan from Charter Pacific Corporation Ltd around the time of the convertible note fund raising appears to be in the ordinary course of business and would likely be defensible.

Further investigations are being undertaken to determine if there are any other elements to transactions around this time that would provide any opportunity for recovery by a liquidator. However, at this stage that appears unlikely.

8.2 Unfair Preferences – Section 588FA

To date, we have not identified any payments to creditors that may be preferential in nature, made by the Company during the six month period preceding our appointment.

Should we be appointed Liquidators, we will further investigate any transactions which may be considered unfair preferences and seek to recover same if it is deemed commercial to pursue.

8.3 Uncommercial Transactions – Section 588FB

To date, we have not identified any uncommercial transactions entered into by the Company in the relevant period which may be voidable.

Should we be appointed Liquidators, we will further investigate any transactions which may be considered uncommercial transactions and seek to recover same if it is deemed commercial to pursue.

8.4 Unfair Loans – Section 588FD

These are loans where the terms, interest, or charges on the loan may be considered extortionate. There are no time limits imposed by the Act for recovering unfair loans.

We have not identified any unfair loans during our investigations.

Should we be appointed Liquidators, we will further investigate any loans which may be considered unfair and seek to recover same if it is deemed commercial to pursue.

8.5 Voidable Transactions – Section 588FE

We have not identified any transactions which may be considered voidable.

Should we be appointed Liquidators, we will further investigate any transactions which may be considered voidable and seek to recover same if it is deemed commercial to pursue.

8.6 Insolvent Trading – Section 588G

Pursuant to Section 588M of the Act, where it is found that the company traded whilst insolvent and the director failed to prevent the company from incurring debt whilst insolvent (Section 588G(2)), a Liquidator may recover from the director an amount equal to the loss or damage suffered.

Based on our preliminary enquiries, it appears the Company has not traded whilst insolvent on the basis that:

- The Company did not experience continuing losses;
- The Company was financially supported by its shareholder and secured creditor, Charter Pacific Corporation Ltd for a number of years.
- All operating subsidiaries of the Company were either liquidated, disposed of or ceased operating as a result of the appointment of External Administrators, therefore the Company did not conduct an actively trading business;
- In the event that the proposed acquisition of Priority One was successfully completed, it was anticipated by the directors that the Company would be successful in generating strong revenues and profits from shareholders; and
- In the event the Company did not pursue the acquisition of Priority One and raise \$500,000 (in addition to incurring interest) from convertible noteholders, unsecured creditors as at the date of our appointment would have amounted to \$128,711.

Creditors should note that to make a claim for insolvent trading, significant further investigations would be required to determine a date for the Company's insolvency and the quantum of a claim. It is likely any claim would be defended by the directors, which would increase the costs of any action.

Recovery proceedings would be considered by us if creditors indicated their willingness to fund our further investigations and it was found that the director has the financial capacity to repay a commercial sum to the Company or meet any Orders made against them.

We draw creditors' attention to Section 8.8 of this report regarding further funding.

Any creditor that has any information that may assist our investigations should provide details of same in writing to this office as soon as possible. If the Company is wound up, we will consider this information and whether further investigations should be conducted to determine whether it would be commercial to pursue a claim, if any.

8.7 Related Parties

We have not identified any other transactions made by the Company with related entities that require further investigation or could be clawed back.

If creditors are aware of any other related entities or any additional dealings or transactions by the Company with related entities, please contact Michelle Levin of our Sydney office.

8.8 Reporting of Offences

If an officer of the company has committed offences under the Act and/or where creditors will receive less than 50 cents in the dollar, a Voluntary Administrator and any Liquidator subsequently appointed, are required to lodge a report with ASIC pursuant to Section 438D and Section 533 of the Act. These reports are not available to creditors or the public.

8.9 Funding Liquidator's Further Investigations

If Liquidators are appointed, further investigations into the affairs of the Company may require funding. We would approach creditors in the first instance and consider external funding if the investigations were warranted.

We draw creditors' attention to Section 564 of the Act which provides that where creditors have provided an indemnity for the costs of litigation or indemnified a Liquidator and amounts are recovered as a result of that indemnity, a Court may make an order giving those creditors an advantage over other creditors in consideration of the risk they assumed.

In the event that a Liquidator is appointed and creditors fund such further investigations and recoveries were successful, the Liquidator would most likely support an application to the Court for an Order under Section 564.

Any creditor willing to pledge funds to enable the Liquidators, if appointed, to conduct further investigations should contact Michelle Levin of this office. Alternatively, if any assets are recovered a Liquidator may draw upon these funds to assist with the possible recovery actions.

9. Estimated Return

On the following page, we have prepared a summary of the likely returns to creditors on the basis of the Company executing a Deed or being wound up (Liquidation), under "optimistic" and "pessimistic" scenarios:

	Notes	DOCA	Optimistic Liquidation \$	Pessimistic Liquidation \$
Assets				
Deed Contributions (inclusive of CAB & Debtors)	i	246,575	N/A	N/A
Cash at Bank	ii	Refer to DOCA Contributions	381	Nil
Debtors	ii	Refer to DOCA Contributions	246,194	Unknown
Liquidator's Recoveries	iii	N/A	Nil	Nil
Total Assets		246,575	246,575	Nil
Less:				
Administrators' Expenses (Incl. GST)	iv	500	500	500
Administrators' Remuneration (Incl. GST)	v	28,924	28,924	28,924
Deed Administrators' Expenses (Incl. GST)	vi	1,500	N/A	N/A
Deed Administrators' Remuneration (Incl. GST)	vii	35,000	N/A	N/A
Liquidators' Expenses (Incl. GST)	viii	N/A	5,500	11,000
Liquidators' Remuneration (Incl. GST)	ix	N/A	35,000	27,500
Subtotal		60,924	69,424	67,924
Estimated Available for Distribution		Refer to Section 7: DOCA Proposal	176,770	Nil
Priority Employee Claims	x	Nil	8,000	8,000
Secured Creditor Claims		1,341,341	1,341,341	1,341,341
Unsecured Creditors' Claims	xi	1,033,335	1,025,335	1,025,335
Priority Employee Claims (c in \$)			100c	Nil
Estimated Return to Secured Creditors (c in \$)		Shares - Refer to Section 7: DOCA Proposal	12.6c	Nil
Estimated Return to Unsecured Creditors (c in \$)		Shares - Refer to Section 7: DOCA Proposal	Nil	Nil

Creditors should note that the above summary does not consider the expected timings of any returns and may be subject to change.

Notes:

- i. Creditors are referred to our comments in Section 7 and 4.2 of this report.
- ii. Creditors are referred to our comments in Section 4 of this report.
- iii. The Liquidators' recoveries are only available in a Liquidation scenario and are unknown at this stage. Further comment is provided in Section 8 above.
- iv. The Administrators' expenses are estimated from the start of the administration up until the conclusion of the administration.

- v. The Administrators' remuneration is estimated from the start of the administration up until the conclusion of the administration. Further comment is provided in Section 12 below.
- vi. The Deed Administrators' expenses are estimated from the execution of the Deed up until the conclusion of the Deed Administration.
- vii. The Deed Administrators' remuneration is estimated from the execution of the Deed up until the conclusion of the Deed Administration. Further comment is provided in Section 12 below.
- viii. The Liquidators' expenses are estimated from the date of the second meeting of creditors until the conclusion of the Liquidation. Further comment is provided in Section 12 below.
- ix. The Liquidators' remuneration is estimated from the date of the second meeting of creditors until the conclusion of the Liquidation. Further comment is provided in Section 12 below.
- x. Refer to section 4.5 of this report.
- xi. Creditors are referred to our comments in Section 4 of this report. Unsecured claims include unsecured trade creditors (\$734,730) and the unsecured component of excluded employee claims (\$290,605). The excluded employees have indicated they are unlikely to claim a priority amount in the Deed of Company Arrangement though they are entitled to should they wish.

10. Options Available and Administrators' Opinion

Creditors are required to vote on three motions relating to the Company's future. Pursuant to Section 439A(4) of the Act, we are obliged to provide a statement detailing our opinion on these resolutions and, in particular, whether it would be in creditors interests for:

- The Administration to end; or
- The Company to execute a Deed of Company Arrangement; or
- The Company to be wound up.

For each of the alternatives, we provide our opinion as follows:

10.1 Administration to End

Under this alternative, control of the Company's affairs would be returned to the directors. At the time of this report, the Company does not have the capacity to pay all of its debts and appears to be insolvent.

Accordingly, we do not consider this option to be in the best interests of creditors.

10.2 Execute a Deed of Company Arrangement

It is our recommendation that the creditors vote to accept the Deed of Company Arrangement proposed as it allows for a greater return to unsecured creditors than a winding up and offers creditors more certainty of payment.

10.3 Company to be Wound Up

We do not consider it would be in the best interests of creditors for the Company to be wound up at this time. A proposal for a Deed of Company Arrangement has been provided which will allow for a greater return than a winding up.

Notwithstanding, if the Company is wound up, the Liquidators' will conduct further investigations and any assets of the Company will be distributed in accordance with the priorities afforded by the Act. In the event that creditors resolve to place the Company into liquidation, we would seek to be appointed Joint and Several Liquidators pursuant to Section 446A of the Act.

11. Second Meeting of Creditors

In accordance with Section 439A of the Act, a second meeting of creditors has been convened for Wednesday, 7 January 2015 at 10:00am and will be held at the office of William Buck, Level 29, 66 Goulburn Street, SYDNEY NSW 2000.

A notice of meeting is attached.

The purpose of the meeting is to decide the Company's future and consider the remuneration of the Administrators and the future remuneration of the Deed Administrators or Liquidators, if appointed.

Creditors wishing to attend and vote at the meeting must complete the attached forms of Proof of Debt and Proxy and lodge same with this office prior to or at the commencement of the meeting. Creditors must ensure they attach full supporting documentation to the Proof of Debt form to substantiate their debts, e.g. copies of invoices, statements and other relevant information. Creditors who have previously lodged a Formal Proof of Debt are not required to lodge another one.

Where a creditor wishes to vote at the meeting but is unable to attend, they may still do so by completing the attached Proxy form and appointing another person to attend and vote on their behalf. Corporate creditors wishing to vote at the meeting must complete the Proxy form and forward same to this office.

Telephone conference facilities will be available at the meeting. Creditors wishing to attend by telephone must contact this office by 4.00pm on the day prior to the meeting as per the directions noted on the Notice of Meeting attached to this report.

12. Remuneration of External Administrators

At the forthcoming meeting, creditors will be asked to consider and approve the remuneration of the Administrators and the future remuneration of the Deed Administrators or Liquidators, if appointed. Further information regarding our remuneration is contained in the attached Remuneration Report. Any creditor requiring additional information regarding our fees and costs should contact Michelle Levin of this office.

13. Disclaimer

The report, statement and investigations of the Company affairs have been prepared and conducted from the books and records of the Company in our possession and other information provided by the director. Whilst our investigation has been to the best of our ability, we are unable to warrant the accuracy, completeness or reliability of the information provided to this office.

If any creditor believes any aspect of this report to be incorrect or if they hold information which may assist our investigations, they are requested to provide details in writing to this office as a matter of urgency.

Should any creditor have any queries regarding the matters raised or require assistance completing the attached forms, please contact Michelle Levin of this office on (02) 8263 4000.

DATED this 23rd day of December 2014

A handwritten signature in black ink, appearing to read 'R Whitton', with a stylized, cursive script.

Robert Whitton
Joint and Several Administrator

23 December 2014

Remuneration Report

Conquest Agri Limited
(Administrators Appointed)
ACN 091 320 464

In accordance with Section 449E of the Corporations Act and the Insolvency Practitioners Association of Australia Code of Professional Practice, we set out below our remuneration report for the period from 5 December 2014 to 18 December 2014 and for future remuneration from this date.

The following information is provided to assist creditors consider the appropriateness of the remuneration claims that are being made. Your approval of this remuneration will be sought at the creditors meeting to be held on 7 January 2015.

This report is set out as follows:

1. Executive summary of the remuneration approval sought;
2. Description of work performed for resolution 1;
3. Summary of Remuneration for resolution 1;
4. Description of work to be performed for resolutions 2 to 4;
5. Statement of remuneration claim;
6. Disbursements;
7. Receipts and payments; and
8. Details of where to direct queries and obtain an ASIC information sheet.

For a report on the progress of the Administration please refer to the Section 439A Report to Creditors dated 23 December 2014.

We, Robert Whitton and Brendan Copeland of William Buck, have undertaken a proper assessment of this remuneration claim for our appointment as Joint and Several Voluntary Administrators of Conquest Agri Limited, in accordance with the law and applicable professional standards. We are satisfied that the remuneration claimed is in respect of necessary work, properly performed, or to be properly performed, in the conduct of the administration.

1. Executive Summary

To date, no remuneration has been approved or drawn in this administration. This remuneration report details approval sought for the following fees:

Period	Report Reference	Amount \$ Ex GST
Past remuneration approved		Nil
Current remuneration approval sought:		
<i>Voluntary Administration</i>		
Resolution 1: 5 December 2014 to 18 December 2014	2 & 3	26,294.50
Resolution 2: 19 December 2014 - Conclusion	4.1	10,000.00
Total Remuneration – Voluntary Administration*		36,294.50
<i>Deed of Company Arrangement (if applicable)</i>		
Resolution 3: Commencement of Deed of Company Arrangement to completion*	4.2	40,000.00
<i>Liquidation (if applicable)</i>		
Resolution 4: Commencement of Liquidation to Completion**	4.3	35,000.00
*Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the Deed Administration. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		
**Approval for the future remuneration sought is based on an estimate of the work necessary to the completion of the liquidation. Should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.		

Please refer to report section references detailed above for full details of the calculation and composition of the remuneration approval sought.

This is consistent with the estimate of costs provided in the initial notification to creditors dated 8 December 2014, which estimated a cost to completion of the Voluntary Administration of between \$40,000.00 to \$80,000.00 plus GST.

2. Resolution 1 – Description of work completed

The tasks which external administrators undertake can be broadly divided into seven (7) categories. These are:

- Assets
- Creditors
- Employees
- Trade On
- Investigation
- Dividend
- Administration

Information on the seven categories is summarised below to enable creditors to understand the type and purpose of work being undertaken.

Company	Conquest Agri Limited	Period From	05/12/2014	To	18/12/2014
Practitioner	Robert Whitton & Brendan Copeland	Firm	William Buck		
Administration Type	Voluntary Administration				

Task Area	General Description	Includes
Assets 0.6 Hours \$144.00	Cash	Preparation of letter to financial institutions to confirm balance of accounts held in name of company at date of appointment
	Debtors	Internal meeting regarding strategy in pursuing debt due in respect to convertible note Preparation of letter to Priority One regarding interest due to company in respect to convertible note. Peruse and Statement of Claim issued against Centurion Securities & Investment Services Pty Ltd
	Other Assets	Tasks associated with realising other assets
Creditors 17.7 Hours \$5,710.00	Creditor Enquiries	Receive and follow up creditor enquiries Review and prepare correspondence to creditors via facsimile, email and post Correspond with Convertible Noteholders
	Secured creditor reporting	Notifying PPSR registered creditors of appointment Responding to secured creditor's queries
	Creditor reports	Preparation and completion of first report to creditors including mailing report to creditors Preparing section 439A report to creditors
	Meeting of Creditors	Preparation of meeting notices, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, attendance register, list of creditors, reports to creditors, draft minutes of meeting, etc Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions immediately following meeting
	Dealing with proofs of debt	Receipting and filing Proofs of Debt ("POD")
Investigation 22.6 Hours \$12,344.00	Conducting investigation	Attendance at registered office and principal place of business for the collection of company books and records Preparation of correspondence to auditor of company requesting financial records

Task Area	General Description	Includes
		Reviewing company's books and records Review and preparation of company nature and history Conducting and summarising statutory searches Preparation of comparative financial statements
Administration 18.5 Hours \$8,096.50	Correspondence	Preparing general correspondence to directors, banks, utilities, Australian Taxation Office, Sheriff, Roads and Maritime Authority
	Document maintenance/file review/checklist	Filing of documents Conducting file reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with previous brokers
	Bank account administration	Requesting bank statements Bank account reconciliations
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms Correspondence with ASIC regarding forms
	ATO and other statutory reporting	Notification of appointment
	Planning / Review	Discussions regarding status of administration
Total 59.4 Hours \$26,294.50		

Resolution 1 - Calculation of Remuneration

Employee	Position	\$ /hour (plus GST)	Total actual hours	Total (\$)	Task Area							
					Assets		Creditors		Investigations		Administration	
					Hrs	\$	Hrs	\$	Hrs	\$	Hrs	\$
Robert Whitton	Director	620	16.00	9,920.00	-	-	2.00	1,240.00	10.00	6,200.00	4.00	2,480.00
Brendan Copeland	Director	620	0.50	310.00	-	-	-	-	-	-	0.50	310.00
Sean Wengel	Principal	500	22.50	11,250.00	-	-	2.70	1,350.00	12.00	6,000.00	7.80	3,900.00
Paul Ritchie	Manager	385	0.50	192.50	-	-	-	-	-	-	0.50	192.50
Raymond Jang	Senior Low	280	0.80	224.00	-	-	-	-	-	-	0.80	224.00
Michelle Levin	Intermediate High	240	16.00	3,840.00	0.60	144.00	13.00	3,120.00	0.60	144.00	1.80	432.00
Maria Zappala	Secretary	180	3.10	558.00	-	-	-	-	-	-	3.10	558.00
TOTAL			59.40	26,294.50	0.60	144.00	17.70	5,710.00	22.60	12,344.00	18.50	8,096.50
GST @ 10%				2,629.45								
TOTAL (including GST)				28,923.95								
Average hourly rate				442.67								

A copy of the hourly rates of William Buck is attached to this Report together with a general guide showing the qualifications and experience of staff engaged and the role they take in the administration.

4. Future Fees – Description of work to be completed

4.1 Voluntary Administrators' Remuneration

Resolution 2 – 19 December 2014 to Conclusion

In addition to the fees noted above, approval will also be sought for the time spent by the Voluntary Administrators and their staff during the period from 19 December 2014 to the conclusion of the Administration. It is estimated that remuneration totalling \$10,000.00 (excluding GST) will be incurred for this period.

Task Area	General Description	Includes
Assets \$2,500	Cash	Securing cash on hand/at bank on appointment
	Debtors	Continued correspondence and negotiation with debtors
Creditors \$6,000	Creditor Enquiries	Receive and follow up creditor enquiries Review and prepare correspondence to creditors via facsimile, email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing section 439A report to creditors
	Dealing with proofs of debt	Receipting and filing Proofs of Debt ("POD")
	Meeting of Creditors	Preparation of meeting notices, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, attendance register, list of creditors, reports to creditors, draft minutes of meeting, etc Preparation and lodgement of minutes of meetings with ASIC Responding to stakeholder queries and questions immediately following meeting
Administration \$1,500.00	Document maintenance/file review/checklist	Filing of documents Conducting file reviews Updating checklists
	Insurance	Correspondence with previous brokers
	Bank account administration	Requesting bank statements Bank account reconciliations
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
Total \$10,000		

4.2 Deed Administrators' Remuneration

Resolution 3 – Deed Administrators' Remuneration

Should creditors resolve that a Deed of Company Arrangement ("Deed") be executed at the creditors meeting to be held on 7 January 2015, we will seek approval to be paid remuneration for services rendered in the commencement of the Deed to completion.

Approval is being sought for future remuneration capped at \$40,000.00 (excluding GST). A summary of the expected major tasks and costs relating to the professional services for the period is set out below.

Approval will be only be sought for this remuneration if creditors resolve that the company execute a Deed of Company Arrangement.

Task Area	General Description	Includes
Assets \$7,000	Debtors	Continued correspondence and negotiation with debtors Liaising with debt collectors and solicitors Arranging and negotiating payment arrangements Initiating legal recoveries
	Creditor Enquiries	Receive and follow up creditor enquiries Review and prepare correspondence to creditors via facsimile, email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing general reports to creditors
Creditors \$6,000	Dealing with proofs of debt	Receipting and filing Proofs of Debt ("POD")
	Processing Proofs of Debt	Call for the lodgement of final proofs of debt from creditors Receive and admit priority creditor claims
	Dividend Procedures	Adjudication of creditor claims Distribute dividend monies to priority creditors
	Conversion of Debt to Equity	Attend to the conversion of debt to equity in respect to secured creditor, Convertible Noteholders and unsecured creditors pursuant to the Deed
Dividend \$10,000.00	Litigation / Recoveries	Liaising with solicitors regarding shareholder's approval in respect to conversion of debt to equity Internal meetings to discuss status of same
	Document maintenance/file review/checklist	Filing of documents Conducting file reviews Updating checklists
	Bank account administration	Requesting bank statements Bank account reconciliations
Investigation \$4,500	ASIC Form 524 and other forms	Preparing and lodging ASIC forms Correspondence with ASIC regarding forms
Administration \$12,500		

Task Area	General Description	Includes
	ATO and other statutory reporting	Notification of appointment Preparing BAS'
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
Total \$40,000		

4.3 Liquidator's Remuneration

Resolution 4 – Liquidator's Remuneration

Should creditors resolve that the company be wound up at the creditors meeting to be held on 7 January 2015, we will seek approval to be paid remuneration for services rendered in the liquidation from 7 January 2015 through to completion of the liquidation.

Approval is being sought for future remuneration capped at \$35,000.00 (excluding GST). A summary of the expected major tasks and costs relating to the professional services for the period is set out below.

Approval will be only be sought for this remuneration if creditors resolve to place the company into liquidation.

Task Area	General Description	Includes
Assets \$9,000	Debtors	Correspondence and negotiation with debtors Liaising with debt collectors and solicitors Arranging and negotiating payment arrangements Initiating legal recoveries
	Other Assets	Tasks associated with realising shares held in Priority One
Creditors \$5,500	Creditor Enquiries	Receive and follow up creditor enquiries Review and prepare correspondence to creditors via facsimile, email and post
	Secured creditor reporting	Responding to secured creditor's queries
	Creditor reports	Preparing general reports to creditors Preparing annual reports to creditors
	Dealing with proofs of debt	Receipting and filing Proofs of Debt ("POD")
Investigation \$7,500	Conducting investigation	Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with

Task Area	General Description	Includes
		directors regarding certain transactions Preparation of investigation file Preparation and lodgement of supplementary report if required
	Litigation / Recoveries	Liaising with solicitors regarding debtor recovery actions Internal meetings to discuss status of litigation Attending to negotiations
	ASIC reporting	Lodgement of statutory investigation reports Liaising with ASIC
Administration \$13,000	Document maintenance/file review/checklist	Filing of documents Conducting file reviews Updating checklists
	Bank account administration	Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers
	ASIC Form 524 and other forms	Preparing and lodging ASIC forms Correspondence with ASIC regarding forms
	Finalisation	Notifying ATO of finalisation Cancelling ABN / GST / PAYG registration Completing checklists Finalising WIP
	Planning / Review	Discussions regarding status of administration
	Books and records / storage	Dealing with records in storage Sending job files to storage
Total \$35,000		

5. Statement of Remuneration Claim

At the forthcoming meeting of creditors, creditors will be asked to pass the following resolutions to approve our remuneration, in accordance with the detailed information provided above.

Resolution 1

"That the remuneration of the Joint and Several Administrators for the period from 5 December 2014 to 18 December 2014 be fixed and approved on a time basis in accordance with the hourly rates of William Buck set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$26,294.50 plus GST, subject to and conditional upon funds becoming available."

Resolution 2

"That the remuneration of the Joint and Several Administrators for the period from 19 December 2014 to the conclusion of the administration be fixed and approved on a time basis in accordance with the hourly rates of William Buck set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$10,000.00 plus GST, subject to and conditional upon funds becoming available."

Resolution 3

"That the future remuneration of the Joint and Several Deed Administrators for the period from execution of the Deed to the conclusion of the Deed Administration be fixed and approved on a time basis in accordance with the hourly rates of William Buck as set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$40,000.00 plus GST, subject to and conditional upon funds becoming available, beyond which further approval may be sought in accordance with the Corporations Act."

Resolution 4

"That the future remuneration of the Joint and Several Liquidators for the period from 7 January 2015 to the conclusion of the Liquidation be fixed and approved on a time basis in accordance with the hourly rates of William Buck as set out in the report to creditors dated 23 December 2014 and as amended from time to time, to a limit of \$35,000.00 plus GST, subject to and conditional upon funds becoming available, beyond which further approval may be sought in accordance with the Corporations Act."

6. Disbursements

Disbursements are divided into three types: A, B1, B2.

- A: Disbursements are all externally provided professional services and are recovered at cost. An example of an A disbursement is legal fees.

- B1: Disbursements are externally provided non-professional costs such as travel, accommodation and search fees. B1 disbursements are recovered at cost.
- B2: Disbursements are internally provided non-professional costs such as photocopying and document storage. B2 disbursements are charged at cost except for photocopying, printing and telephone calls which are charged at a rate which is intended to recoup both variable and fixed costs.

Examples of B2 disbursements charged by William Buck follow:

Disbursement	Charge
Printing & Photocopying	\$0.40 / page
Facsimiles	\$2.00 for the first page and \$1.00 for each page thereafter
Stationery (incl. folders and dividers) Storage Meeting Room Hire Telephone	At cost

It is estimated that disbursements will total \$1,500.00 plus GST in the Administration.

All disbursements that have been incurred to date were necessarily and properly incurred in the administration.

7. Summary of Receipts and Payments

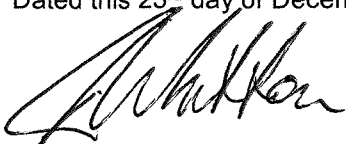
There have been no receipts and payments in the administration to date.

8. Queries / Information Sheets

Creditors should feel free to contact the Administrators' office to seek further information concerning the remuneration claim if they so need.

ASIC have produced an Information Sheet entitled "Approving fees: a guide for creditors" that can be downloaded from the IPA website (www.ipaa.com.au), the ASIC website (www.asic.gov.au) or alternatively a copy can be obtained if you contact this office.

Dated this 23rd day of December 2014



Robert Whitton
Joint and Several Administrator

Encl.

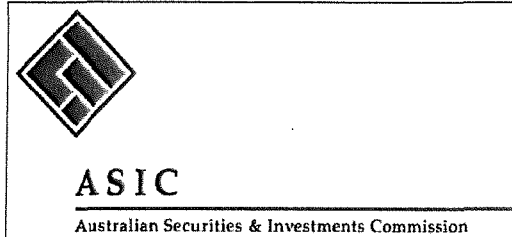
Business Recovery Services Guide to Hourly Rates from 1 July 2014

Classification	Rate (Excl. GST) \$	Guide to Level of Insolvency Experience
Partner/Appointee	620.00	Registered Liquidator/Trustee. Partner bringing his/her specialist skills to Administrations and/or Insolvency tasks.
Principal/Associate	500.00	Qualified. 10+ years experience. Specialist industry knowledge or Registered Liquidator/trustee who assists the appointee with all facets of Administrations and/or Insolvency tasks.
Senior Manager	450.00	Qualified. 8+ years experience. Well developed technical and commercial skills, bringing additional specialist skills to Administrations and/or Insolvency tasks.
Manager	385.00	Typically Qualified. 6-8 years experience. Well developed technical and commercial skills. Planning and control of all Administrations and/or Insolvency tasks.
Supervisor	340.00	Typically Qualified. 4-7 years experience. Co-ordinates planning and control of medium to larger Administrations and/or Insolvency tasks.
Senior High	300.00	Typically Graduate/Qualified: 2-4 years experience. Required to control the fieldwork on Administrations and/or Insolvency tasks.
Senior Low	280.00	Typically Graduate: 1-2 years experience. Required to control the fieldwork on Administrations and/or Insolvency tasks.
Intermediate High	240.00	Typically Graduate: Up to 2 years experience. Required to control the fieldwork on small Administrations and/or Insolvency tasks and assist with fieldwork on medium to large Administrations and/or Insolvency tasks.
Intermediate Low	190.00	Typically Under Graduate: Up to 2 years experience. Required to assist in day to day fieldwork of Administrations and/or insolvency tasks under the supervision of more senior staff.
Trainee	170.00	Typically undertaking to complete Degree part time. Required to assist in day to day fieldwork of Administrations and/or insolvency tasks under the supervision of more senior staff.
Administration	180.00	Appropriate skills including machine usage.
Typist/Computer Operator	140.00	Appropriate skills including machine usage.
Clerk	140.00	Appropriate skills.
Junior	120.00	Appropriate skills.

Notes:

1. The Guide to Level of Insolvency Experience is intended only to be a guide as to the qualifications and experience of the staff engaged. It should be noted that in some instances staff may be engaged under an appropriate classification principally due to their experience.
2. Time spent on matters is recorded and charged in six (6) minute intervals.
3. The firm rates are effective as at 1 July 2014.

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ASIC/ARITA Information Sheet

Conquest Agri Limited
(Administrators Appointed)
ACN 091 320 464

Insolvency information for directors, employees, creditors and shareholders

ASIC has 11 insolvency information sheets to assist you if you're affected by a company's insolvency and have little or no knowledge of what's involved.

These plain language information sheets give directors, employees, creditors and shareholders a basic understanding of the three most common company insolvency procedures—liquidation, voluntary administration and receivership. There is an information sheet on the independence of external administrators and one that explains the process for approving the fees of external administrators. A glossary of commonly used insolvency terms is also provided.

The Australian Restructuring Insolvency & Turnaround Association (ARITA), the leading professional organisation in Australia for insolvency practitioners, endorses these publications and encourages its members to make their availability known to affected people.

List of information sheets

- INFO 41 Insolvency: a glossary of terms
- INFO 74 Voluntary administration: a guide for creditors
- INFO 75 Voluntary administration: a guide for employees
- 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 43 Insolvency: a guide for shareholders
- INFO 42 Insolvency: a guide for directors
- INFO 84 Independence of external administrators: a guide for creditors
- INFO 85 Approving fees: a guide for creditors

Getting copies of the information sheets

To get copies of the information sheets, visit ASIC's website at www.asic.gov.au/insolvencyinfosheets. The information sheets are also available from the ARITA website at <http://www.arita.com.au/>. The ARITA website also contains the ARITA's Code of Professional Practice for Insolvency Professionals, which applies to ARITA members.

Important note: The information sheets contain a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. These documents may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances. You will need a qualified professional adviser to take into account your particular circumstances and to tell you how the law applies to you.