

1st Floor, Lexen Building
200 Malop Street, Geelong
PO Box 1570, Geelong
Victoria, Australia, 3220

Tel 03 5223 1000
Fax 03 5221 4938

A member firm of Jirsch Sutherland
ABN 61 123 849 098

Regulation 5.6.12

CORPORATIONS ACT 2001

NOTICE OF SECOND MEETING

AUSMINERALS LTD, ACN 099 336 866
AUSTRALASIAN GOLD PTY LTD, ACN 004 312 618
KURDEEZ LIME PTY LTD, ACN 004 181 168
URANIUM RESOURCES PTY LTD, ACN 123 681 201
VICTORIAN AGRICULTURAL LIME PTY LTD, ACN 004 215 212
(ADMINISTRATORS APPOINTED)

("The Companies")

Notice is given that pursuant to Section 439A of the Corporations Act 2001 a second meeting of creditors of the companies will be held at 1st Floor, 200 Malop Street (Malop Street entrance) Geelong, Victoria on **Monday, the 6th day of September 2010 at 2.00 p.m.**

A G E N D A

1. To consider the Administrators Report pursuant to Section 439A(4) and for creditors to resolve:
 - a) that the companies execute a Deed of Company Arrangement; or
 - b) that the administration should end; or
 - c) that the companies be wound up; or
 - d) that the meeting be adjourned.
2. To fix the remuneration of the Administrator;
3. If the companies are wound up, to consider the nomination of a person to be Liquidator;
4. If the companies are wound up, to consider the appointment of a Committee of Inspection;
5. If no Committee is appointed, to fix the future remuneration of the Liquidator;
6. Any other business that may be lawfully brought forward.

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TRUST CAN ONLY BE EARNED

GOSFORD
Tel 02 4322 0444
Fax 02 4322 0544

NEWCASTLE
Tel 02 4965 6500
Fax 02 4965 6549

SYDNEY
Tel 02 9236 8333
Fax 02 9236 8334

Email: mail@jenpeak.com.au
www.jenpeak.com.au

Enclosed are the following documents:

- Report by Administrators pursuant to Section 439A(4)(a) & (b) of the Corporations Act 2001.
- Remuneration Report and Annexures thereto.
- A form of Proxy to enable you to appoint another person to act on your behalf at the meeting (see note below). Proxies must be returned to our office no later than 4.00 p.m., Friday, 3 September 2010. A corporate creditor can only be represented by proxy or by a representative appointed under Section 250A of the Corporations Act 2001.
- A Particulars of Debt Form for voting purposes (see note below)

DATED at Geelong this 30th day of August 2010.



Geoff Ridgeway & Rod Sutherland
Joint and Several Administrators

NOTE:

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

- his claim has been admitted, wholly or in part, by the Administrators; or
- he has lodged particulars of the debt or claim (Regulation 5.6.23).

A secured creditor may vote for the whole of his debt without deduction for his security (Regulation 5.6.24(4)).

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Section 439A(4)(a)

CORPORATIONS ACT 2001

REPORT BY ADMINISTRATORS

AUSMINERALS LTD
(ADMINISTRATORS APPOINTED)
ACN 099 336 866

("Ausminerals")

We, GEOFF RIDGEWAY and ROD SUTHERLAND of Jenkins Peake, Chartered Accountants, 200 Malop Street, Geelong, Vic., 3220 were appointed Joint and Several Administrators of Ausminerals by a resolution of its Directors on 2 August 2010.

We hereby submit the following report and opinions as required by Section 439(A) of the Corporations Act 2001 and Regulation 5.3A.02 of the Corporations Regulations.

At the second meeting on **Monday, 6 September 2010** creditors will be required to resolve either:

- a) That the company execute a Deed of Company Arrangement; or
- b) That the administration should end; or
- c) That the company be wound up; or
- d) That the second meeting be adjourned.

Our recommendation is that the second meeting be adjourned until Monday, 18 October 2010. Our reasons for adjournment are in Section 10 of this Report.

1. BACKGROUND INFORMATION/STATUS OF BUSINESS:

Ausminerals is a public company with four wholly owned subsidiaries. All companies in the Ausminerals Group were placed into Voluntary Administration by their directors on 2 August 2010. The wholly owned subsidiary companies in the Group are:

- Australasian Gold Pty Ltd, ACN 004 312 618
- Kurdeez Lime Pty Ltd, ACN 004 181 168
- Uranium Resources Pty Ltd, ACN 123 681 201
- Victorian Agricultural Lime Pty Ltd, ACN 004 215 212

Ausminerals was incorporated in February 2002 as a Pty Ltd company. It became a public company limited by shares in September 2007 and in August 2008 its shares were listed on the Stock Exchange.

Prior to the Administrators appointment, apart from its investments in its subsidiary companies, Ausminerals held interests in Tenements in Western Australia for gold exploration and production. These Tenements were forfeited due to lack of funds to pursue further exploration.

At the date of appointment of Administrators on 2 August 2010, Kurdeez Lime Pty Ltd was the only operating entity in the Group.

Attached as Schedule 1 are details of the officers of each company in the Ausminerals Group.

2. SECURED CREDITORS:

National Australia Bank ("NAB") hold a Fixed and Floating Charge over the assets of Kurdeez Lime Pty Ltd to secure debts due by that company of \$1,085,000 at the date of Administration. The NAB's Charge was registered on 22 January 2003. Interest continues to accrue on this debt. The NAB does not hold any security over Ausminerals assets.

3. BOOKS AND RECORDS:

The accounting records for the Ausminerals Group of Companies are maintained primarily on a MYOB accounting system. Ausminerals Ltd has complied with its obligations to file consolidated audited accounts with the Stock Exchange up to 31 December 2009, and MYOB records have been completed through to 30 June 2010. These records have been provided to the Administrators. Based on our enquiries to date, we believe proper books and records have been maintained.

4. ADMINISTRATORS PRIOR INVOLVEMENT:

The Administrators 'Declaration of Independence, Relevant Relationships, Prior Engagements and Indemnities' was included with our Notice of First Meeting of Creditors, and tabled at the creditors meeting held on 11 August 2010. There has been no change to the status of this declaration.

5. FINANCIAL INFORMATION.

(a) Trading

A summary of Ausminerals operating results for the years ended 30 June 2009, and 2010 based on the MYOB accounts, are as follows:

	<u>Y/E</u> <u>30/6/09</u> \$	<u>Y/E</u> <u>30/6/10</u> \$	<u>Note</u> <u>Ref</u>
<u>Income:</u>			
Sundry Income	-	16,552	
Interest Income – Intercompany Loans	339,038	-	(i)
	<u>339,038</u>	<u>16,552</u>	
<u>Expenses:</u>	(765,694)	(426,970)	(ii)
	<u>(426,656)</u>	<u>(410,418)</u>	
<i>(i) An interest charge for the year ended 30 June 2010 is yet to be processed</i>			
<i>(ii) Major expenses include:</i>			
Tenement Leases	18,007	14,644	
Accounting Fees	58,170	70,088	
Insurance	30,854	28,860	
Wages & Salaries	247,356	238,064	
Impairment Expense (Provision for loss against loans and investments in subsidiaries)	369,403	-	
Mining Costs (fuel)	12,625	25,244	

(b) Assets & Liabilities

A summary of Ausminerals Balance Sheet at 30 June 2009, and 2010 based on the MYOB accounts is as follows:

	<u>June 09</u>	<u>June 10</u>	<u>Note</u>
	<u>\$</u>	<u>\$</u>	<u>Ref</u>
<u>Assets:</u>			
Shares in: Victorian Agricultural Lime Pty Ltd	326,314	326,314	
Kurdeez Lime Pty Ltd	73,686	73,686	
Loan Australasian Gold Pty Ltd	-	15,334	
Cash at Bank	18,338	(6,111)	
Loan to Kurdeez Lime Pty Ltd	1,605,058	1,472,529	(i)
Loan to Uranium Resources Pty Ltd	122,357	122,569	
Office Furniture and Equipment	2,902	2,362	
<u>Total Assets:</u>	<u>2,148,655</u>	<u>2,006,683</u>	
<u>Liabilities:</u>			
Annual Leave	92,268	108,443	
Trade Creditors	107,661	117,211	
Loan E. Bouverie	370,565	566,157	
GST Refund	(34,045)	(2,472)	
Loan W. Wilson	-	15,556	
<u>Total Liabilities:</u>	<u>(536,449)</u>	<u>(804,895)</u>	
<u>Net Asset Surplus</u>	<u>1,612,206</u>	<u>1,201,788</u>	

(i) Before interest on loan for the 2010 year.

6. REASONS FOR FINANCIAL DIFFICULTIES:

From 2008, following an unsuccessful attempt at a Stock Exchange public float by Ausminerals Ltd, which cost approximately \$300,000, additional bank borrowings by Kurdeez, and cash flow from its limestone operations in Timboon, provided the only funds to:

- upgrade operations at Timboon; and
- meet operating costs at Timboon, and administration expenses incurred by Ausminerals Ltd.

With no additional funding available, Kurdeez limestone operations at Timboon were offered for sale in March 2010 as a going concern, however no sale was achieved. The plan was to utilise the proceeds of sale to repay creditors, and pursue Ausminerals gold production at its tenements in Western Australia. These tenements were subsequently forfeited due to lack of funds for further exploration.

A cash flow summary for the Group for the years ended 30 June 2008 and 2009, included in the consolidated audited accounts is attached as Schedule 2. Funding provided by Kurdeez to Ausminerals to meet its operating costs was offset against an interest bearing loan due to Ausminerals. The balance of this loan at the date of Administration is approximately \$1,700,000, if interest on the loan for the year from 1 July 2009 is included.

The minutes of the director's meeting of Ausminerals held on 2 August 2010 refers to the cancellation of Joint Venture and Management Agreements, meaning that company:

- had no prospects of developing any gold assets;
- was unable to raise further equity, capital, or bank finance

"which placed the Group in severe difficulties to continue is lime extraction and processing at the Victorian operation. The directors reviewed the current cash position of the Group and after its discussion it was unanimously resolved that it was uncertain that the Group could continue to meet its debts as they fell due and accordingly should be placed into Voluntary Administration".

7. RETURN TO CREDITORS:

The largest creditor of Ausminerals is Mr Erwin Bouverie, a director of the company, primarily for unpaid wages and holiday pay. The balance of this loan at 30 June 2009 was \$431,026. The notes to the Ausminerals audited accounts at 30 June 2009 state "Repayment of this loan will not be sought until the Group has sufficient funds with which to repay the loan." By letter dated 8 March 2010 from Mr Bouverie, the loan at 31 December 2009 of \$468,665 is repayable at call but not "until the earlier of the Ausminerals Ltd Group realising sufficient income from asset sales or equity placements to repay them as a priority." On the basis that Mr Bouverie's loan is deferred, our assessment is that there is a reasonable prospect all other creditors of Ausminerals will be paid in full (ie):

<u>Assets:</u>	<u>Book Value \$</u>	<u>Realisable Value \$</u>	<u>Note Ref</u>
Investments in:			
• Victorian Agricultural Lime Pty Ltd	326,314	250,000	(i)
• Kurdeez Lime Pty Ltd	73,686	-	(ii)
Loan to Kurdeez Lime Pty Ltd (subject to reconciliation)	1,700,000	?	(ii)
Loan to Uranium Resources Pty Ltd	122,569	-	(iii)
Office Furniture & Equipment	2,000	-	
Loan to Australasian Gold Pty Ltd	15,334	-	
Total Assets:	2,239,903	250,000	
<u>Liabilities:</u>			
In order of Priority:			
• Allowance for costs of Administration/Asset Realisation		20,000	
• Creditors (per listing attached)		127,028	
		(147,028)	
Funds Available to Deferred Creditor - E Bouverie		102,972	
- Amount Claimed		(731,842)	
Shortfall to Deferred Creditor		(628,870)	

Notes:

- (i) *Victorian Agricultural Lime Pty Ltd's only asset is land on which Kurdeez Lime Pty Ltd operates. Its only known creditor is a loan of \$260,000 due to Kurdeez Lime Pty Ltd. Based on the estimated land value sufficient funds would be realised from its sale to repay the loan and provide a return of approximately \$250,000 to its shareholder, Ausminerals.*
- (ii) *The assets and business of Kurdeez Lime Pty Ltd are being offered for sale by the Administrators. Offers close 30 September 2010. Until a sale is completed, we are not able to advise a likely return to creditors of Kurdeez Lime Pty Ltd.*
- (iii) *This company has not operated for two years and has no realisable assets.*

8. VOIDABLE TRANSACTIONS RECOVERABLE BY A LIQUIDATOR:

In accordance with the Corporations Act 2001, we are required to report on any transaction which appears voidable in respect of which money, property or other benefits may be recoverable by a Liquidator under Part 5.7B of the Corporations Act 2001.

9.1 Unfair Preferences. – Section 588 FA of the Corporations Act 2001

A transaction is an unfair preference given by a company to a creditor of the company if, and only if:

- (a) the company and the creditor are parties to the transaction (even if someone else is also party):
and
- (b) the transaction results in the creditor receiving from the company, in respect of an unsecured debt that the company owes to the creditor, more than the creditor would receive from the company in respect of the debt if the transaction were set aside and the creditor were to prove for the debt in a winding up of the company;

even if the transaction is entered into, is given effect to, or is required to be given effect to, because of an order of an Australian Court or a direction by an agency.

For the transaction to be voided it must have occurred within six months of the winding up, and it is proven the creditor was aware of the company's insolvency at the time.

On the basis of our investigations to date we have not identified any unfair preferences, which a Liquidator should pursue.

9.2 Uncommercial Transactions. – Section 588 FB of the Corporations Act 2001

A transaction of a company is an uncommercial transaction, if and only if, it may be expected that a reasonable person in the company's circumstances would not have entered into the transaction, having regard to:

- (a) the benefits (if any) to the company of entering into the transaction; and
- (b) the detriment to the company of entering into the transaction; and
- (c) the respective benefits to other parties to the transaction of entering into it; and
- (d) any other relevant matter.

From our investigations to date, we have not identified any uncommercial transactions.

9.3 Unfair Loans To A Company. – Section 588 FD of the Corporations Act 2001

A loan to a company is unfair if, and only if:

- (a) the interest on the loan was extortionate when the loan was made, or has since become extortionate because of a variation; or
- (b) the charges in relation to the loan were extortionate when the loan was made, or have since become extortionate because of a variation;

even if the interest is, or the charge are, no longer extortionate.

On the basis of our investigations to date we have not identified any unfair loans.

9.4 Unreasonable Director-Related Transactions - Section 588FDA of the Corporations Act 2001.

A transaction of a company is an unreasonable director-related transaction of the company if, and only if:

- (a) the transaction is:
 - (i) a payment made by the company; or
 - (ii) a conveyance, transfer or other disposition by the company of property of the company; or
 - (iii) the issue of securities by the company; or
 - (iv) the incurring by the company of an obligation to make such a payment, disposition or issue; and
- (b) the payment, disposition or issue is, or is to be, made to:
 - (i) a director of the company; or
 - (ii) a close associate of a director of the company; or
 - (iii) a person on behalf of, or for the benefit of, a person mentioned in subparagraph (i) or (ii); and
- (c) it may be expected that a reasonable person in the company's circumstances would not have entered into the transaction, having regard to:
 - (i) the benefits (if any) to the company of entering into the transaction; and
 - (ii) the detriment to the company of entering into the transaction; and
 - (iii) the respective benefits to other parties to the transaction of entering into it; and
 - (iv) any other relevant matter.

On the basis of our investigations to date we have not identified any unreasonable director related transactions.

9. INSOLVENT TRADING:

Should creditors resolve that the company be placed into liquidation, its director may be exposed to an action under Division 4 of Part 5.7B of the Corporations Act 2001. i.e. to compensate the company for debts incurred whilst the company was insolvent, and unpaid at the date of liquidation.

We have indicated in Section 7 that there is a reasonable prospect of all external creditors being paid in full. Accordingly, there can be no claim for insolvent trading by a Liquidator.

10. ADMINISTRATORS' RECOMMENDATION:

At the forthcoming meeting, in accordance with the Corporations Act 2001 and after considering the Administrators' opinion, creditors will be asked to vote in favour of one of the following options: -

- (a) That the company execute a Deed of Company Arrangement; or
- (b) That the Administration should end; or
- (c) That the company be wound up; or
- (d) That the meeting be adjourned.

An explanation of each of these options follows:

Option (a) – That the company execute a Deed of Company Arrangement.

A Deed of Company Arrangement is a formal agreement approved by creditors which could result in a better outcome than liquidation of the company. For example, a director or third party may offer to contribute funds to enable a reasonable return to creditors, to avoid liquidation of the company, and possible further action by the Liquidator for (eg) insolvent trading. When the terms of the Deed are satisfied, control of the company passes back to its directors.

Option (b) - That the Administration should end.

This option is normally only available if the Administrators consider the company is solvent, and is able to be properly managed by its directors.

Option (c) - That the company be Wound Up.

If no Deed of Company Arrangement is proposed, and the company is not solvent, the only option is for the company to be wound up.

Option (d) - That the meeting be adjourned.

Mr Erwin Bouverie has advised, if the Administrators do not achieve a going concern sale of Kurdeez Lime Pty Ltd's assets and business at an acceptable price, he will consider submitting a Deed of Company Arrangement proposal to the Administrators which would provide creditors (including himself) with a better return. His proposal may include shareholders of Ausminerals.

In our Report to Creditors of Kurdeez Lime Pty Ltd we have advised that because:

- offers for the business do not close until 30 September 2010; and
 - the opportunity to achieve market value for assets is enhanced whilst Kurdeez is operating as a going concern (as opposed to lower auction values if Kurdeez is wound up);
- it is our recommendation to creditors that any decision on the company's future be adjourned until 18 October 2010 pursuant to Section 439B(2) of the Corporations Act 2001.

We are recommending a similar adjournment to the creditors of Ausminerals.

Prior to the adjourned meeting, creditors will be advised of the outcome of the sale process, and of our recommendation that the company either be wound up, or enter into a Deed of Company Arrangement. If a Deed of Company Arrangement is recommended, the terms of the Deed of Company Arrangement will be outlined.

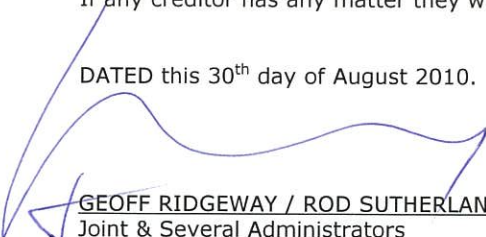
12. ADMINISTRATORS' REMUNERATION:

At the forthcoming meeting, creditors will be asked to consider the work conducted by the Administrators and their staff, and to approve our remuneration as required by Section 449E of the Corporations Act 2001.

The Administrators will be seeking remuneration calculated by reference to the work undertaken by them, and their staff at the hourly rates set down by Jenkins Peake as detailed in the attachment to our first meeting notice. A detailed account of our remuneration is in the attached Remuneration Report.

If any creditor has any matter they wish to discuss prior to the second meeting, please contact us.

DATED this 30th day of August 2010.



GEOFF RIDGEWAY / ROD SUTHERLAND
Joint & Several Administrators

GR/ti

Schedule 1

Company	Director(s)	Appointed	Secretary	Appointed
Ausminerals Ltd	Erwin Bouverie Wayne S Wilson Christopher T Valttila	22/1/2002 7/7/2007 7/7/2007	Trevor N Stone	6/7/2007
Australasian Gold Pty Ltd	Erwin Bouverie	20/2/2002	Erwin Bouverie	20/2/2002
Kurdeez Lime Pty Ltd	Erwin Bouverie	20/2/2002	Erwin Bouverie	20/2/2002
Uranium Resources Pty Ltd	Erwin Bouverie	30/1/2007	Erwin Bouverie	30/1/2007
Victorian Agricultural Lime Pty Ltd	Erwin Bouverie	20/2/2002	Erwin Bouverie	20/2/2002

Cash Flow Statements

For The Year Ended 30 June 2009

	Note	Consolidated		Company	
		2009	2008	2009	2008
		\$	\$	\$	\$
Cash flows from operating activities					
Receipts from mineral mining and production		1,269,417	1,196,083	-	21,870
Overheads and salaries		(332,346)	(714,989)	(171,342)	(611,064)
Payments to suppliers		(881,906)	(749,076)	(66,622)	50,252
Borrowing costs		(87,118)	(74,168)	(866)	-
Sundry expenses		(2,397)	-	-	-
Interest received		-	21,870	(5,367)	-
Net cash flows (used in) / provided by operating activities	20	<u>(34,350)</u>	<u>(320,280)</u>	<u>(244,197)</u>	<u>(538,942)</u>
Cash flows from investing activities					
Purchase of plant and equipment		(292,248)	(99,289)	-	(4,240)
Payments for exploration expenditure		-	(109,650)	-	-
Repayment of inter-company loan		-	-	188,499	170,035
Net cash flows provided by / (used in) investing activities		<u>(292,248)</u>	<u>(208,939)</u>	<u>188,499</u>	<u>165,795</u>
Cashflows from financing activities					
Bank Loan		480,000	-	-	-
Proceeds from issue of ordinary shares		63,760	407,900	63,760	407,900
Loan from Director		37,593	-	5,340	-
Float Expenses		-	(342,789)	-	(342,789)
Net cash flows (used in) / provided by financing activities		<u>581,353</u>	<u>65,111</u>	<u>69,100</u>	<u>65,111</u>
Cash and cash equivalents at beginning of the year		(428,296)	35,812	4,936	312,972
Net increase / (decrease) in cash and cash equivalents		<u>254,755</u>	<u>(464,108)</u>	<u>13,402</u>	<u>(308,036)</u>
Cash and cash equivalents at the year end	20	<u><u>(173,541)</u></u>	<u><u>(428,296)</u></u>	<u><u>18,338</u></u>	<u><u>4,936</u></u>

The accompanying notes form part of these Financial Statements.

Ausminerals Ltd
(Administrators Appointed)
ACN 099 336 866

List of Creditors

UNSECURED CREDITORS

<u>Creditor Name</u>	<u>Address</u>	<u>RATA</u>
AAPT Limited	Locked Bag 311 Silverwater NSW 1811	451.00
Baker & McKenzie	PO Box R126 Royal Exchange NSW 1223	22,368.00
BOC Limited	GPO Box 4557 Sydney NSW 1124	8.00
Fairfax Media Publications	Level 4 655 Collins Street Docklands VIC 3008	538.00
Macquarie Premium Funding	Lvl 2/1 Shelley Street Sydney NSW 2000	6,900.00
National Stock Exchange of Australia Ltd	PO Box 283 Newcastle NSW 2300	7,777.00
PKF Chartered Accountants	Lvl 10/1 Margaret St Sydney NSW 2000	60,714.00
Security Transfer Registrars Pty Ltd	PO Box 535 Applecross WA 6953	451.00
Shire of Leonora	PO Box 56 Leonora WA 6438	6,401.00
Trevor Stone & Associates	Unit 2/6 Central Ave Nords Wharf NSW 2281	5,865.00
Wilson, Wayne	25 Hedges Ave Mermaid Beach QLD 4218	15,555.00
		127,028.00
Bouverie, Erwin	c/- PO Box 64 Timboon VIC 3268	731,842.00
Totals for Unsecured Creditors 12		858,870.00

**REMUNERATION REPORT
VOLUNTARY ADMINISTRATIONS**

**APPROVAL OF RETROSPECTIVE
AND
PROSPECTIVE REMUNERATION**

**RE: AUSMINERALS LTD
(ADMINISTRATORS APPOINTED)
ACN 099 336 866
("Company")**

1st Floor, Lexen Building
200 Malop Street, Geelong
PO Box 1570, Geelong
Victoria, Australia, 3220

Tel 03 5223 1000
Fax 03 5221 4938

A member firm of Jirsch Sutherland
ABN 61 123 849 098

APPOINTMENT PARTICULARS

I was appointed as Voluntary Administrator of the company on 2 August 2010.

REMUNERATION REPORT – INITIAL ADVICE

This Remuneration Report should be read in conjunction with my **Remuneration Report – Initial Advice** dated 4 August 2010. A copy of same was mailed to all known creditors as part of my first notice and report to creditors. However, if any creditor of the company has not as yet received my **Remuneration Report – Initial Advice** they should make a written request for same.

STRUCTURE OF REPORT

This Remuneration Report is prepared under the following headings: -

- 1. Calculation of Outstanding Remuneration**
- 2. Description of Work Performed**
- 3. Remuneration – Report Date to Meeting Date**
- 4. Resolution for Retrospective Remuneration**
- 5. Prospective Remuneration**
- 6. Resolutions for Prospective Remuneration**
- 7. Report on Progress of the Administration**
- 8. General Supporting Information**

1. CALCULATION OF OUTSTANDING REMUNERATION

I attach as **Annexure "A"** a calculation schedule supporting my remuneration claim for the period 2 August 2010 to 26 August 2010.

In summary, as at 26 August 2010 I have \$4,819.50 plus GST in outstanding remuneration.

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GOSFORD
Tel 02 4322 0444
Fax 02 4322 0544

NEWCASTLE
Tel 02 4965 6500
Fax 02 4965 6549

SYDNEY
Tel 02 9236 8333
Fax 02 9236 8334

Email: mail@jenpeak.com.au
www.jenpeak.com.au

2. DESCRIPTION OF WORK PERFORMED

I attach as **Annexure "B"** a schedule providing more detailed descriptions of the work performed in respect of the above schedule calculating my outstanding remuneration as at 26 August 2010.

3. REMUNERATION – REPORT DATE TO MEETING DATE

I estimate that my future remuneration for the period from 27 August 2010 till the date of the forthcoming meeting of creditors will be within the vicinity of \$2,000 to \$3,000 plus GST.

My estimate is based on the remuneration incurred to date and the further work required from 27 August 2010 till the date of the forthcoming meeting of creditors. The major tasks that need to be attended to during this period include but are not limited to the following: -

	Estimated Cost
Major Tasks	Excl. GST (\$)
Creditors Report – Finalisation and Distribution/Meeting of Creditors	1,500
General Administration	800
TOTAL	2,300

4. RESOLUTION FOR RETROSPECTIVE REMUNERATION

The following resolution will be put at the forthcoming meeting of creditors to be held on 6 September 2010:-

"That the remuneration of the Voluntary Administrator and his staff for the period 2 August 2010 to 6 September 2010 be approved to a maximum sum of \$7,119 plus GST and that such remuneration be drawn at the discretion of the Voluntary Administrator".

5. PROSPECTIVE REMUNERATION

Should I be appointed as Liquidator of the company, I estimate that my remuneration for acting as Liquidator of the company will be within the vicinity of \$8,000 to \$12,000 plus GST.

My estimate is based on the remuneration incurred to date as Voluntary Administrator and the further work required to fully wind-up the affairs of the company. The major tasks that need to be attended to during the liquidation period include but are not limited to the following: -

	Estimated Cost
Major Tasks In Liquidation	Excl. GST (\$)
Realisation of Assets	3,000
Creditors Notices and Reports	1,200
Statutory Notifications and Lodgments	750
Creditor Enquiries and Responses	500
General Administration	2,000
Settlement of Creditor Claims/Distribution to Creditors	2,500
TOTAL	9,950

6. RESOLUTIONS FOR PROSPECTIVE REMUNERATION

Should the company be placed into liquidation, the following resolution will be put at the forthcoming meeting of creditors to be held on 6 September 2010: -

"That the remuneration of the Liquidator and his staff for the period post 6 September 2010 be approved to a maximum sum of \$9,950 plus GST, beyond which further approval must be sought, and that such remuneration be drawn at the discretion of the Liquidator".

7. REPORT ON PROGRESS OF THE ADMINISTRATION

For a report on the progress of the administration please refer to the attached report to creditors.

8. GENERAL SUPPORTING INFORMATION

Information Sheet

Included in my **Remuneration Report – Initial Advice** dated 4 August 2010 was an information sheet produced by the Australian Securities & Investments Commission ("ASIC") titled *Approving Fees – A Guide for Creditors*. A copy of same is available to creditors upon written request or by visiting www.ipaa.com.au or www.asic.gov.au

Queries

Creditors can request more information in support of my remuneration claims by making a written request on my office in this regard.

Dated this 30th day of August 2010.

GEOFF RIDGEWAY
Administrator

DESCRIPTION OF WORK PERFORMED FOR THE PERIOD 2 AUGUST 2010 TO 26 AUGUST 2010

TASK AREA	GENERAL DESCRIPTION	COMMENTS
ASSETS	Intercompany Loans	Confirming balances
	Investments in Subsidiaries	Company ownership
CREDITORS	Creditor Enquiries	Receive and follow up creditor enquiries
	Creditor reports	Meeting and general reports to creditors
	Meetings of Creditors	Preparation of meeting, proxies and advertisements Forward notice of meeting to all known creditors Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Preparation and lodgement of minutes of meetings with ASIC Respond to stakeholder questions following meeting
INVESTIGATION	Conducting investigation	Collection of company books and records Reviewing company's books and records Review and preparation of company nature and history Conducting and summarising statutory searches Preparation of comparative financial statements Review of specific transactions and liaising with directors regarding certain transactions Preparation of investigation file
ADMINISTRATION	Correspondence	
	Document maintenance/file review/checklist	Filing of documents File reviews Updating checklists
	Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence regarding initial and ongoing insurance requirements Reviewing insurance policies
	ASIC forms	Preparing and lodging ASIC forms including 505, 524, 911 etc
	ATO & other statutory reporting	Notification of appointment
	Planning / Review	Discussions regarding status of administration

FORM 532

Corporations Act 2001
Regulation 5.6.29

**RE: AUSMINERALS LTD
(ADMINISTRATORS APPOINTED)
ACN 099 336 866**

APPOINTMENT OF PROXY

Member's*/Creditor's* Name	
Member's*/Creditor's* Address	
Meeting Location, Date & Time	1st Floor, Lexen Building (Malop Street entrance) 200 Malop Street, Geelong in the State of Victoria, on Monday, 6 September 2010 at 2.00 p.m., or at any adjournment of this meeting.
Proxy's Name & Address	
Proxy's Instructions From Member*/Creditor*	Generally as they determine on my behalf (please circle "generally"); OR Specifically in accordance with the following special instructions (please circle "specifically" and insert instructions below): -
Committee of Inspection	(I*/We*) authorize (Insert Name) ----- to represent (me*/us*) on the committee of inspection if elected.
Secured Creditor	(I*/We*) am*/are* a secured creditor and the total amount owed to me after deducting the value of my security is \$ _____
Date	Dated this day of
Member's*/Creditor's* Signature	

COMPLETE BELOW ONLY IF CREDITOR IS BLIND**CERTIFICATE OF WITNESS**

This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The person nominated as proxy must not witness the signature of the creditor.

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

Signature of witness: _____

Witness's Address: _____

CORPORATIONS ACT 2001

PARTICULARS OF UNSECURED DEBT FOR VOTING PURPOSES

Regulation 5.6.23(1)(b)

Re: Ausminerals Ltd (Administrators Appointed) ACN 099 336 866

The Chairman of the Meeting of Creditors

I/We (Full name
and address
of creditor)

hereby make it known to the Chairman that the abovenamed company is indebted to
me/us in the sum of \$ being for

.

.
(State what debt is for and attach statement of account or photocopy of ledger account if necessary) and it is

further made known that the details of the security held in respect of the debt are as
follows:-

. (Here insert full
details of
security held. If
security is not
held insert NIL)

and that I/we:-

- (a) Surrender that security; (Cross out which
ever is inapplicable
(b) Value that security at \$. and if necessary
est. the value of
your security)

DATED thisday of..... 2010

Signature of Creditor

**PLEASE LODGE THIS FORM TOGETHER WITH YOUR PROXY (IF APPLICABLE) PRIOR TO THE DATE
AND TIME APPEARING IN THE NOTICE OF MEETINGS OR HAND IT IN AT THE MEETING.**