

13 June 2023

NSX Announcements
The Manager

**WIND UP BENJAMIN HORNIGOLD LIMITED
s249D and s249P**

Dawney & Co Ltd has requisitioned a shareholder meeting of Benjamin Hornigold Ltd (BHD) to consider a voluntary winding up of the Company.

We attach the following documents sent to BHD on Monday 5 June 2023:

- A requisition under s249D *Corporations Act 2001*;
- The Consent of the proposed liquidator; and
- A members' statement under s249P *Corporations Act 2001*.

We confirm BHD acknowledged receipt of the requisition notice on Friday, 9 June 2023, however, did not release our s249P members' statement that should be read in conjunction with the requisition notice for context.

This announcement has been authorised by the board of Dawney & Co Ltd.

Notice to requisition general meeting – section 249D Corporations Act 2001

Date: 5 June 2023

To: The Company Secretary
Benjamin Hornigold Limited ACN 614 854 045 (the Company)
Level 10, 171 Clarence Street
Sydney, NSW 2000

From: Dawney & Co Ltd ACN 138 270 201 (Requisitioning Shareholder)

The Requisitioning Shareholder, being a member holding at least 5% of the votes that may be cast at a general meeting of the Company, hereby request the directors of the Company, pursuant to section 249D *Corporations Act 2001* (Cth) (**Corporations Act**), call and arrange a general meeting of the Company (**Meeting**) to consider and vote on the following resolutions:

1 Winding up of the Company

To consider and, if thought fit, pass the following as a special resolution:

'With effect from the close of the meeting, pursuant to section 491(1) of the Corporations Act 2001, the Company be voluntarily wound up.'

2 Appointment of Liquidator

To consider and, if thought fit, pass the following as an ordinary resolution:

'Subject to Resolution 1 being passed, with effect from close of the meeting, for the purposes of winding up the affairs of the Company and distributing the property of the Company (net of liabilities), pursuant to section 495(1) of the Corporations Act, that Mark Pearce of Pearce & Heers be appointed the liquidator of the Company.'

3 Remuneration of the Liquidator

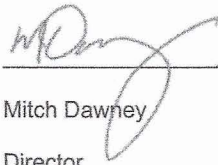
To consider and, if thought fit, pass the following as an ordinary resolution:

'Subject to Resolution 1 and 2 being passed, that the future remuneration of the Liquidator for work performed by him and his partners and staff, shall be calculated on a time basis in accordance with the hourly rates of Pearce & Heers Insolvency Accountants specified for this appointment, as may be increased annually at 1 July by not more than five percent and the Liquidator is authorised to pay such remuneration and any outlays accrued at his discretion.'


In accordance with section 249D(5) of the *Corporations Act 2001*, the Directors of the Company have 21 days from the date of this notice (being the date on which this notice is given to the Company) to call the Meeting and the date of the Meeting must not be later than 2 months after the date of this notice.

Requisitioning Shareholder	Number of shares held at 04/06/2023
Dawney & Co Ltd	2,907,892 (12.04%)


This notice was signed by the Requisitioning Shareholder; Dawney & Co Ltd ACN 138 270 201 on 5 June 2023:



Mitch Dawney
Director



Kerry Daly
Director



Peter Johns
Director

Consent of liquidator

I, Mark William Pearce, of Pearce & Heers, Level 12, 127 Creek Street, Brisbane Queensland 4000, a registered liquidator, consent to be appointed by the shareholders and to act as the liquidator of Benjamin Hornigold Limited ACN 614 854 045.

I am not aware of any conflict of interest or duty that would make it improper for me to act as liquidator of the company.

I am not aware of any relevant relationship mentioned in subsection 60 (2) of the *Corporations Act 2001*.

The hourly rates currently charged in respect of work done as Liquidator by me, and by my partners and employees who may perform work in this administration, are set out in the Pearce & Heers charge-out rate sheet, which is attached to this Consent.

Date: 2 / 6 / 2023



Signature of registered liquidator
Mark William Pearce

w www.pearceheers.com.au
e mail@pearceheers.com
p GPO Box 691
Brisbane, Qld 4001

Brisbane
Level 12, 127 Creek Street
Brisbane, Qld 4000
t 07 3221 0055

Gold Coast
Level 15, 2 Corporate Court
Bundall, Qld 4217
t 07 5630 1179



**PEARCE & HEERS
INSOLVENCY ACCOUNTANTS**

**STAFF CLASSIFICATIONS AND HOURLY CHARGE-OUT RATES
FOR MEMBERS' VOLUNTARY LIQUIDATION APPOINTMENT**

Staff Classification	Hourly Rate \$
Appointee / Partner	540
Manager	470
Supervisor	405
Senior Accountant	345
Intermediate Accountant / Para-professional	290
Junior Accountant	240
Secretary	175

Notes:

1. These rates do not include GST. Accordingly, GST is charged in addition to these rates.
2. These rates are subject to annual increases at 1 July by an amount not exceeding five percent.
3. Time is charged on the basis of 1 minute units.

5 June 2023

WIND UP BENJAMIN HORNIGOLD LIMITED

Members' Statement

Dawney & Co Ltd ("DWY", "we" or "our") provides this Members' Statement to be distributed pursuant to section 249P of the *Corporations Act 2001*.

DWY currently owns 12.04% of Benjamin Hornigold Ltd ("BHD" or "the Company").

DWY has requisitioned a general meeting under section 249D of the *Corporations Act 2001*, to consider a special resolution to voluntarily wind-up BHD.

3 years since recovery of Kings Currency funds and reinstatement

On 12 February 2020, the board announced that the Kings Currency payments had been received in full and that first ranking security had been released. On 13 March 2020, in the investment update and NTA announcement, the board confirmed unaudited NTA per share was \$0.30. On 24 June 2020, the Company released a general market update stating BHD was holding \$7.56 million in cash with an NTA of \$7.16 million. On 25 June 2020, BHD was reinstated to ASX.

Share register turnover

The register has largely turned over since reinstatement, with new investors buying out legacy shareholders. As such, we suspect that new shareholders, with vastly different motivations to legacy shareholders, account for a majority of BHD's issued capital.

Further, we believe the foremost investment case for buying BHD shares post reinstatement has been to participate in any potential recoveries over a reasonable timeframe and see the discount to NTA realised. In our view, a reasonable timeframe for potential recoveries has lapsed and therefore, we are taking steps within our power to deliver an outcome for all shareholders.

No improvement in share price

When BHD was reinstated on 25 June 2020, the closing price was \$0.21.

The VWAP for May 2023 was \$0.1981.

Minimal improvement in net tangible assets

The NTA per share report as at 30 June 2020 stated \$0.30 per share.

The NTA per share report as at 30 April 2023 stated \$0.3059 per share.

This return is less than 2% over 2 years and 10 months (or 0.69% annualised).

Discount to NTA

The VWAP for May 2023 of \$0.198 per share is a discount to 30 April 2023 NTA (\$0.3059ps) of ~35%. Long suffering BHD shareholders continue to be disadvantaged, with the only way to exit their investment being to sell their BHD shares on market and receive an unreasonable discount on their underlying value.

Director and professional fees

On 12 June 2019, the current directors were appointed. Since, per the Company's audited accounts, directors have been paid aggregate fees of;

- \$326,219 in FY20
- \$301,126 in FY21

- \$302,500 in FY22
- \$151,938 in HY23

Assuming a similar amount in the second half of FY23, the directors will have taken fees in excess of \$1.2 million since appointment.

Additionally, professional fees have exceeded \$1.7 million:

- \$1,090,904 in FY20
- \$279,562 in FY21
- \$266,781 in FY22
- \$94,479 in HY23

In contrast, while the directors enjoy their cash fees, shareholders seeking cash face the unenviable dilemma of either waiting and hoping for a return of capital or selling on market and accepting an unreasonable and inequitable discount to underlying value.

Between the director and professional fees, the cost to BHD shareholders is approaching \$3 million and shareholders are still in the dark.

13 June 2019 intention statement

On 13 June 2019, the current board announced their intentions upon appointment:

- a) Immediately open discussions with ASX to have the Company's suspension from trading on the ASX lifted;
- b) Have the accounts of the Company forensically reviewed to gain insight into the true financial position of the Company; and
- c) Return the maximum amount of the remaining capital of the Company to shareholders.

A and B have been completed.

C is still to be honoured. The Kings Currency funds were recovered swiftly, and we acknowledge the board for that. However, the residual potential recoveries are less certain and we fear the 3 years since reinstatement, that shareholders have already endured with no return, are not being factored into the board's decision making.

Pursuit of these potential recoveries, which still don't have a definitive costing or timeline, will incur further directors' fees, legal fees, ASX running costs and most importantly, more time.

In our opinion, when comparing the certainty of circa 50% upside to May 2023 VWAP through a wind-up, to the material uncertainty and expense of pursuing further recoveries, a wind-up makes the most commercial sense.

Independent liquidator

We have proposed to appoint Mark Pearce of Pearce & Heers as liquidator who, if appointed, has a fiduciary duty to maximise his stakeholders interests, in BHD's case, its shareholders. Mr Pearce has signed a consent to act as liquidator, which we attached to our requisition notice.

Offer to purchase claims

To expedite the monetisation of claims and return of capital to shareholders, DWY (or its nominee) is prepared to purchase and take an assignment of the outstanding debt recovery claims for A\$20,000. We note the claims are currently valued at zero and that such a sale would remove the risks and costs associated with pursuing claims. In addition to our opening offer, and as a price discovery method, we encourage all interested parties to express their interest in purchasing these claims to the BHD board and/or liquidator if appointed.

Conclusion

Considering the board has failed to earn an acceptable return on BHD shareholder capital, we cannot justify further directors' fees to merely oversee advisers to this drawn-out process. We believe it is in the best interest of all shareholders to place the Company into independent, experienced hands, and as such, we seek your vote **IN FAVOUR/FOR** the wind-up of BHD.

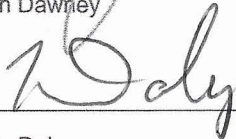
We have spoken with director Gary Miller in recent months and are grateful for his integrity and shareholder focus. However, given the inordinate delay in the board honouring its undertaking to return the remaining capital of the Company to shareholders, we had no alternative choice but to requisition a meeting to propose the wind-up.

Regards,

Signed by DWY Directors on 5 June 2023:



Mitch Dawney



Kerry Daly



Peter Johns