



FERRIER HODGSON

21 November 2003

*When replying please quote:
Our Ref: BT:AF:A1.4
Your Ref:*

TO CREDITORS

Dear Sir/Madam

**RE: PASMINGO LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 368 674
AND ITS WHOLLY OWNED AUSTRALIAN SUBSIDIARIES
(SUBJECT TO DEEDS OF COMPANY ARRANGEMENT)

("PASMINGO" OR "THE COMPANIES" OR "THE GROUP")

DEED ADMINISTRATORS' SECOND REPORT TO CREDITORS**

I refer to the appointment of John Spark and Peter McCluskey as Voluntary Administrators of the Companies on 19 September 2001 and subsequently as Administrators of the Deeds of Company Arrangement ("the Deeds") of the Companies on 4 October 2002.

1. MEETINGS OF CREDITORS

Concurrent meetings of creditors of the Companies will be held on Tuesday, 9 December 2003 pursuant to the Deeds.

The purpose of the meetings will be to:

- i. Provide creditors with an update in relation to the status of the Administration and in particular, the ongoing restructure of Pasmingo;
- ii. Advise creditors of the outcome of the Pricing Committee meeting to be held prior to the meeting of creditors;
- iii. Provide an opportunity for questions from creditors; and
- iv. Seek creditors' approval for the Deed Administrators' ongoing fees in this matter.

g:\rjs\pasmldtd.dca\reports\bt001 second report to creditors.doc

FERRIER HODGSON (VIC)
LEVEL 25 140 WILLIAM STREET
MELBOURNE VIC 3000
TELEPHONE 03 9600 4922
FACSIMILE 03 9642 5887
EMAIL fhmelb@melb.fh.com.au

PO BOX 290 COLLINS STREET WEST
MELBOURNE VIC 8007
DX 125 MELBOURNE

PARTNERS
JOHN SPARK
PETER MCCLUSKEY
GREG MEREDITH
JAMES STEWART
RÓD SUTTON
GEORGE GEORGES
JOHN LINDHOLM
SIMON JENNINGS

website: www.ferrierhodgson.com

DIRECTORS
SIMON NELSON
ROSS BLAKELEY
CRAIG HUNTER
ADRIAN BROWN

CONSULTANT
TONY HOEGSON

GROUP OFFICES
ADELAIDE
BRISBANE
DANDENONG
MELBOURNE
PERTH
SYDNEY

INTERNATIONAL OFFICES
NEW ZEALAND MALAYSIA
JAPAN INDONESIA
HONG KONG SINGAPORE

INTERNATIONAL AFFILIATES
UK KROLL WORLD WIDE
USA KROLL WORLD WIDE

For your information and assistance, we enclose the following:

- a. Notice of Meeting (**Annexure 1**).

Please note that the meeting will be held at 11.00am on Tuesday, 9 December 2003 at the Institute of Chartered Accountants, Level 10, 600 Bourke Street, Melbourne.

Creditors are requested to arrive at the meeting at least 15 minutes prior to the commencement of the meeting.

- b. Proxy Form (yellow form), Power of Attorney (green form) and Instructions for Completing Meeting Forms (all at **Annexure 2** of this document).

Important Note:

- The Power of Attorney (green form) may be completed by employees that wish to appoint a person (such as a Union representative) to represent them at all meetings of creditors held under the Deeds.
- The Proxy Form (yellow form) should be completed by all other creditors or those employees who do not wish to appoint someone to represent them at all future meetings of creditors.
- Pursuant to an Order made in the Federal Court of Australia on 26 March 2003, all employees who are members of either the AMWU or the AWU are deemed to have given their respective union representatives, Glenn Thompson and Bill Shorten, Powers of Attorney pursuant to Corporations Regulation 5.6.31A for the purposes of voting on the employees' behalf at the meeting of creditors held on 28 March 2003, and any other meeting of creditors thereafter.

The Order does not apply to:

- i. any employee who signs a proxy or Power of Attorney appointing some other person to attend such meetings on his or her behalf;
 - ii. any employee who attends such meetings in person;
 - iii. any employees who are members of the CFMEU; and
 - iv. any non-union employees.
- More detailed instructions for completing the Proxy Form or Power of Attorney are contained in the Instructions for Completing Meeting Forms and at **Annexure 2** of this report, which we recommend that all creditors read.

Please also note that Proxy Forms submitted for previous meetings of creditors will **not** be valid for this meeting. Accordingly, creditors who intend to vote, will need to complete the enclosed new proxy form.

2. DEED ADMINISTRATORS' SECOND REPORT TO CREDITORS

The purpose of this report is to provide creditors with a further update on key matters relating to the administration and restructure processes of the Group since our report dated 14 March 2003.

2.1 Cashflow Performance

Detailed below is a summary of Pasminco's operating cashflow performance since the appointment of Deed Administrators:

- On a cumulative basis between October 2002 and June 2003, Pasminco achieved a net cash **inflow** at the operating level (prior to interest and finance charges, administration and legal costs) of approximately AUD30 million, approximately AUD25 million favourable to forecast.
- Management accounts indicate that for the period July 2003 to October 2003, Pasminco has recorded a net cash **inflow** at the operating level (prior to interest and finance charges, administration and legal costs) in the period of approximately AUD28 million, approximately AUD70 million favourable to forecast.

The favourable cashflow variance in the period principally reflects the positive impact of certain of the Project Kosciusko initiatives (see Section 2.3 below) and an improvement in AUD zinc and lead commodity prices compared to plan. There have also been a number of positive cashflow timing differences experienced.

During this period, Pasminco has repaid a total of approximately AUD23 million against the Summit Facility, comprising further permanent reductions in the Summit Facility limit of AUD2 million, arising from asset sale proceeds, and further voluntary repayments of approximately AUD21 million.

- The Summit Facility is currently drawn to an amount of approximately AUD290 million (before cash holdings) against a reduced Summit Facility limit of approximately AUD382 million.

2.2 Extension Of Banking Facilities

- We confirm that Summit Financiers previously approved an extension to the Summit Facility until 31 December 2003. This extension provided Pasminco with the ability to continue the implementation of the Project Kosciusko initiatives and develop longer term strategies to enable Pasminco to move out of Administration, further details of which are discussed below.
- We have now submitted a further report to Summit Financiers seeking a further extension on the Summit Facility to 30 June 2004. We believe that this extension will be given and are in the process of finalising this matter.
- An extension of the Summit Facility to 30 June 2004 will provide Pasminco with sufficient funding to enable it to continue to trade up to a float (see below).

2.3 Project Kosciusko

- As you may be aware, during June 2003, Pasminco Management, the Deed Administrators and representatives of the Summit Financiers completed a review of Pasminco's global operations which identified a number of initiatives to complement Pasminco's improved operating performance, including the optimisation of capital expenditure and working capital levels, non core asset realisations and the sale/closure of certain assets ("Project Kosciusko").
- These initiatives are being progressively implemented. As illustrated by Pasminco's favourable cashflow result in the four months to October 2003, the Project Kosciusko initiatives have had a significant positive effect upon Pasminco's cashflow to date, which is expected to continue over the current financial year and beyond.
- Total Project Kosciusko savings that were included in Pasminco's approved forecasts for the year ended 30 June 2004 totalled approximately AUD194 million. To date, approximately AUD139 million of these savings have been realised, with further savings expected to June 2004.
- Based on prudent estimates of outcomes from Project Kosciusko, Pasminco will be able to operate within its existing facilities during the current financial year. Indeed, if all Project Kosciusko initiatives are achieved, Pasminco's drawn facility would reduce significantly by 30 June 2004.

2.4 Float / Restructure

- In recent discussions with members of the Joint Lead Managers (JLMs), they indicated that in view of the sustained improvements in commodity and equity markets experienced over recent months and the continued streamlining of the existing Group, the prospect of a float of the Pasminco Ongoing Group Companies had improved significantly.
- On this basis, we are currently progressing preparations to facilitate a float during 2004. The exact timing of the listing will depend on market conditions. To this end, we continue to liaise closely with Pasminco's financiers, the JLMs, the Committee of Creditors and other advisors.
- In conjunction with proceeding towards a float, Pasminco has continued to enter into discussions with a number of parties who have an interest in some form of investment in Pasminco. Whilst information in this regard is confidential, we can confirm that we continue to liaise with various interested parties.
- The identification of a suitable investor may be determined to be complementary to the ultimate float of the Pasminco Ongoing Group, however is in no way critical to the process. Such an investor opportunity will be considered on its individual merits in the context of a float.
- The prospects of achieving a float have been assisted by the restructure of the Group, which has involved the closure of some sites and the sale of assets which were better owned and operated by others. These are discussed in further detail below.

2.5 Asset Sales/Closures

2.5.1 Elura Mine and Shiploader Operations

- The sale of the Elura Mine and Shiploader Operations to CBH was successfully completed on 12 September 2003. The sale transition process has now been materially completed. The supply of concentrates (from CBH) to Pasminco smelters has continued with no detrimental effect upon Pasminco's throughput.

2.5.2 US Assets

- We confirm that the mining operations in Gordonsville ceased in May 2003 and the mine was placed on care and maintenance.
- It is anticipated that operations at the Clinch Valley Mine will cease by June 2004.
- In September 2003, Pasminco reached agreement for a sale of these mines to Tennessee Valley Resources ("TVR"). Under the conditions of the sale, TVR assumed responsibility for the environmental remediation of both mines.

2.5.3 Cockle Creek

- The Cockle Creek smelter closed on 12 September 2003. A small number of employees remain on site to operate plant and equipment required to comply with environmental requirements.
- A taskforce consisting of Pasminco and the Deed Administrators' staff has been set up to consider options available for the remediation and development of the Cockle Creek site. The taskforce has also recently appointed a Project Manager to assist in this process.
- A review is currently being conducted on the optimal realisation of the significant quantum of plant and equipment on the site.

2.6 Other Administration Tasks

In addition to progressing the restructure of Pasminco, preparing the Group for a float (or other strategy to take Pasminco out of Administration), asset sales and closures detailed above, summarised below are a number of other issues that the Deed Administrators continue to address:

2.6.1 Overseeing the Trading of the Business

As detailed above, Pasminco's trading position under the Deeds has improved significantly as a result of the Project Kosciusko initiatives implemented since July 2003, together with the improvement in AUD zinc and lead prices.

The Deed Administrators continued their role in overseeing, authorising and reporting on Pasminco's operational performance.

2.6.2 Formal Assessment of Creditor Claims

Financier Claims

- Financier pre-appointment claims total approximately AUD2.6 billion.
- With the exception of two claims, all financier claims have been adjudicated and are currently being settled with financiers.

Non-Financier Claims

- As previously advised, Formal Proofs of Debt were called for on 5 September 2002.
- At this stage, we have received non-financier proofs totalling approximately AUD214 million. I note the following in respect of the proofs received:
 - Approximately AUD 1.8 million has been adjudicated and admitted, comprising of trade creditors.
 - The majority of the amounts claimed relates to the Aquila claim of AUD153 million (discussed below).
 - Lumbermens Mutual Casualty Company (“Lumbermens”) has submitted a Proof of Debt in the sum of AUD36.2 million. The majority of the claim relates to a demand made by Westpac Banking Corporation (“Westpac”) against undertakings provided by or on behalf of Lumbermens. The claim by Westpac was made as a result of Lumbermens refusing to extend undertakings to Westpac securing Westpac’s obligations to the NSW WorkCover Authority. To date, the Deed Administrators have admitted Lumbermens Mutual Casualty Company’s claim in the sum of AUD33.5 million.

The Deed Administrators have received claims from a number of Rio Tinto Limited (“Rio”) subsidiaries totalling AUD10.8 million. The claims relate to the Rio subsidiaries’ workers compensation obligations to its former workers whilst employed by the Rio subsidiaries. Pasminco provided the Rio subsidiaries with an indemnity for these obligations. Rio, at this point, has identified the amounts paid or properly quantified their future exposure for such liabilities which they claim they are entitled to be indemnified for. At this point, the Deed Administrators have not admitted any claim on behalf of the Rio Tinto subsidiaries.

- The remainder of the non-financier claims are currently being adjudicated.

Aquila Dispute

You may be aware that Aquila Resources Limited and its wholly owned Australian subsidiary, Aquila EHM Pty Ltd (collectively “Aquila”) lodged a Formal Proof of Debt against Pasminco Limited (Subject to Deed of Company Arrangement), Savage Resources Limited (Subject to Deed of Company Arrangement) (“SRL”) and Savage EHM Finance Pty Ltd (Subject to Deed of Company Arrangement) (“SEHMF”) for AUD153 million with respect to the sale by Pasminco of its 49% interest in the Ernest Henry Mine in March 2001.

The Proof of Debt was rejected by the Deed Administrators and Aquila has commenced proceedings in respect of its claim.

Aquila has also made an application to set aside the Deeds of Company Arrangement of SRL and SEHMF. Aquila claim that SRL and SEHMF are not subject to the Deed of Cross Guarantee ("Cross Deed") as the Assumption Deed joining these companies to the Cross Deed was signed but never lodged with ASIC.

In this regard, Aquila are claiming that SRL and SEHMF are not liable for the external liabilities of other Cross Deed companies and were therefore not insolvent, or likely to become insolvent. It is our view that SRL and SEHMF are still bound by the terms of the Cross Deed.

Whilst we believe that it is unlikely that Aquila will be successful in this application, creditors who have a claim against SRL or SEMHF should be aware that if Aquila succeed, their claim against SRL or SEMHF may be treated differently to claims against other companies in the Pasmenco Group.

2.6.3 Investigations

In our previous report to creditors, we indicated that our investigations are substantially complete, however certain aspects of those investigations have not been finalised.

In this regard, we are awaiting advice from our solicitors with respect to their recommendations on what action the Deed Administrators should pursue, if any, regarding certain matters.

2.7 Deed Administrators' Fees

- At the last meeting of creditors held on 28 March 2003, creditors approved our fees as Deed Administrators to an interim cap of AUD6.7 million (plus GST) based on our estimate of fees that may be incurred to 30 September 2003, subject to the matters that evolve.
- Detailed below is a summary analysis in relation to the Deed Administrators' fees as at 31 October 2003:

	AUDm
Total Deed Administrators' fees approved to date by Creditors	6.7
Less:	
- Incurred and paid (5 October 2002 to 30 September 2003)	(6.3)
- Incurred 1 October 2003 to 31 October 2003 - outstanding	(0.3)
Balance of Approved Limit	0.1

- Fees to date have been drawn after providing a full account to the Committee of Creditors and obtaining their approval for payment.
- The above table indicates that fees of approximately AUD0.3 million are outstanding for the Deed period to 31 October 2003. We will be contacting the Committee of Creditors to seek their approval to draw this balance in due course.
- Accordingly, at the forthcoming meeting of creditors, we will seek approval for an additional fee limit of AUD3.3 million (plus GST), being the additional fees we have incurred or expect to incur for the period November 2003 to May 2004, subject to the matters that evolve. Our fee estimate for the period reflect in part the ramp up of resources that will be required to achieve a float of the Group.

- Our fees as Deed Administrators have been calculated in accordance with Ferrier Hodgson's scale of rates which has been applied since the commencement of the Voluntary Administration in September 2001.
- Given that the fees will be subject to a limit, we are unable to draw fees exceeding the limit. Should our fees exceed this limit, we will seek further approval from creditors at later meetings of creditors. We will also continue to inform the Committee of Creditors of the level of our fees and provide an account of all fees incurred and paid in future reports to creditors.

2.8 Meeting Of The Pricing Committee

- A resolution of the Pricing Committee (a committee of creditors with admitted claims of AUD5 million or more, established under the Deeds, with prescribed functions) is required to extend the Capital Raising Direction Date (the date within which the Deed Administrators can authorise the proposed float to proceed) beyond 31 December 2003. In this regard, a meeting of the Pricing Committee will be held on 9 December 2003 prior to the general meeting of creditors to consider a resolution to extend the Capital Raising Direction Date to 30 June 2004 or such other date as proposed by the Deed Administrators with approval by a resolution of the Pricing Committee.
- We have recommended that the Pricing Committee accept this resolution. If the resolution is rejected, a further meeting of creditors will be required to be convened to consider the fallback options available to creditors under the Deeds.
- The outcome of the Pricing Committee meeting will be reported to creditors at the creditors' meeting to be held on 9 December 2003.

Should you have any queries regarding the contents of this report, please do not hesitate to contact Mr Tim Cipolloni or Mr Gary Koroneos of this office.

Yours faithfully



J M SPARK
DEED ADMINISTRATOR



P D McCLUSKEY
DEED ADMINISTRATOR

encl

ANNEXURE 1

NOTICE OF MEETING

**FORM 529
CORPORATIONS ACT 2001**

NOTICE OF MEETING OF CREDITORS

**PASMINCO LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 368 674**

**PASMINCO INVESTMENTS HOLDINGS PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 082 291 736**

**PASMINCO CENTURY MINE LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 006 670 300**

**PASMINCO COCKLE CREEK SMELTER PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 000 083 670**

**PASMINCO METALS PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 005 565 284**

**PASMINCO FINANCE LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 007 289 296**

**PASMINCO PACIFIC PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 005 416 008**

**PASMINCO AUSTRALIA LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 074 962**

**PASMINCO PORT PIRIE SMELTER PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 008 046 428**

**PASMINCO INTERNATIONAL PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 934 534**

**PASMINCO INTERNATIONAL (HOLDINGS) PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 066 088 159**

**THE EMU BAY RAILWAY COMPANY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 009 475 790**

PASMINCO INVESTMENTS PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 082 291 674

PASMINCO BROKEN HILL MINE PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 000 005 774

PASMINCO GROUP TREASURY PTY LTD
(FORMERLY PASMINCO GLOBAL TRADING PTY LTD)
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 082 932 116

SAVAGE RESOURCES LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 009 551 624

RAMALA HOLDINGS PTY LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 056 689 117

SAVAGE AUSTRALIAN EXPLORATION PTY LTD
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 071 375 169

SAVOX PIGMENTS PTY LTD
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 003 035 694

SAVAGE EHM PTY LTD
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 071 375 114

SAVAGE EHM FINANCE PTY LTD
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 071 375 221

NOTICE is given that a meeting of the creditors of the abovenamed companies will be held at the Institute of Chartered Accountants, Level 10, 600 Bourke Street, Melbourne on Tuesday, 9 December 2003 at 11.00am.

AGENDA

1. To consider the Deed Administrators' Second Report to Creditors for the abovenamed companies.
2. To fix the further remuneration of the Deed Administrators pursuant to the Deeds of Company Arrangement.
3. Any other business that may be lawfully brought forward.

Proxies to be used at the meeting should be lodged at the office of the Deed Administrators by close of business on Friday, 7 December 2003. **A corporate creditor may only be represented by proxy or by an attorney appointed pursuant to Corporations Regulations 5.6.28 and 5.6.31A or by a representative appointed under Section 250D of the Corporations Act.**

In accordance with Corporations Regulation 5.6.23(1), creditors will not be entitled to vote at the meeting unless they have previously lodged particulars of their claims against the company with the Administrators and the claim is or has been admitted in whole or in part for the purposes of voting pursuant to Corporations Regulation 5.6.26.

DATED this 21st day of November 2003



P D McCLUSKEY
DEED ADMINISTRATOR

ANNEXURE 2

**INSTRUCTIONS FOR COMPLETING MEETING FORMS
PROXY FORM
POWER OF ATTORNEY**

PASMINCO LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 368 674
AND ITS WHOLLY OWNED AUSTRALIAN SUBSIDIARY COMPANIES
("THE COMPANIES" OR "PASMINCO")

INSTRUCTIONS FOR COMPLETING MEETING FORMS

- The comments below are to be read in conjunction with Section 1 of the Deed Administrators' Second Report to Creditors.

POWER OF ATTORNEY

- The Power of Attorney (green form) should only be completed by employees that wish to appoint someone to represent them at all meetings of creditors under the Deeds. Please note that employees who have previously submitted a Power of Attorney do not need to complete a new form for this meeting.
- Employees who wish to appoint someone to represent them at the meeting of creditors to be held on 9 December 2003 only and not all future meetings of creditors, should complete the yellow Proxy Form.
- Employees attending the meeting of creditors in person do not need to complete any form.
- All creditors who are not employees should complete the yellow Proxy Form (refer instructions below).

PROXY FORM

- Proxy Forms must be completed by:
 - All corporate creditors who wish to be represented at the meeting. Eg. if XYZ Pty Ltd is a creditor, it will need to appoint a person to act as its proxy.
 - Individuals who are creditors (eg. employees) who are not attending the meeting to vote personally.
- If the creditor wishes to direct the person appointed as their proxy as to how they wish to vote (a special proxy), the appropriate box next to the resolutions should be ticked in accordance with that direction. You must tick one box per resolution only ie. For or Against or Abstain.
- If the creditor wishes to allow the proxy appointed to vote as the proxy determines, they should not tick any of the boxes.
- Creditors must also include the amount owing to them and sign the Proxy Form in the spaces provided.

AMWU / AWU EMPLOYEES

- Pursuant to an Order made in the Federal Court of Australia on 26 March 2003, all employees who are members of either the AMWU or the AWU are deemed to have given their respective union representatives, Glenn Thompson and Bill Shorten, Powers of Attorney pursuant to Corporations Regulation 5.6.31A for the purposes of voting on the employees' behalf at the meeting of creditors held on 28 March 2003, and any other meeting of creditors thereafter.

The Order does not apply to:

- (i) any employee who signs a proxy or Power of Attorney appointing some other person to attend such meetings on his or her behalf;
- (ii) any employee who attends such meetings in person;
- (iii) any employees who are members of the CFMEU; and
- (iv) any non-union employees.

MEETING OF CREDITORS PROXY FORM

Ref: C-

FORM 532

Regulation 5.6.29

CORPORATIONS ACT 2001
APPOINTMENT OF PROXY

Form 5

PASMINCO LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 368 674
AND ITS WHOLLY OWNED AUSTRALIAN SUBSIDIARIES
(SUBJECT TO DEEDS OF COMPANY ARRANGEMENT) ("THE COMPANIES")

*I/*We(creditor name)
of(creditor address)
a primary creditor of.....(Pasmenco company name)
appoint(proxy appointed)
or in their absence(proxy alternate)
as *my/our *(i) general OR *(ii) special proxy to vote at the meeting of creditors to be held on 9 December 2003, or at any
adjournment of that meeting, to vote
(i) on all matters arising at the meeting; OR
(ii) on each of the following kinds of resolution in the manner specified:

	For	Against	Abstain
3. A resolution that the further remuneration of the Deed Administrators of the Companies be calculated in accordance with Ferrier Hodgson's scale of rates, as amended from time to time, up to the sum of \$3.3 million plus GST as applicable and that the Deed Administrators be authorised to draw their remuneration on a periodic basis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

I am an unsecured creditor and the total amount owed to me is \$

OR

I am a secured creditor and the total amount owed to me is \$

DATED this day of 2003

.....
Signature² of individual or person³
authorised by corporate resolution to
represent the corporation

OR The Common Seal of¹
was hereunto affixed in the presence of

FOR OFFICE USE ONLY Proxy Valid: Yes/No Cross Deed Creditor: Yes/No Amount admitted for voting: \$.....
--

.....
Director

.....
Secretary

¹ The method of affixing the Common Seal should be prescribed by the creditor corporation's articles. See Note (2).

² The signature of the creditor is not to be attested by the person nominated as proxy.

³ Note that a corporation may by resolution of its directors provide standing authority for a person to represent it at members meeting and appoint proxies. Copy of authority to be annexed.

POWER OF ATTORNEY - FOR EMPLOYEES ONLY

PASMINCO LIMITED
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)
ACN 004 368 674
AND ITS WHOLLY OWNED AUSTRALIAN SUBSIDIARIES
(SUBJECT TO DEEDS OF COMPANY ARRANGEMENT)
("THE COMPANIES")

EMPLOYEES:
Complete either
this Form or the
Proxy Form and
NOT both

POWER OF ATTORNEY FOR VOTING AT MEETINGS

DEED dated 2003
BY (employee name)
of (employee address)
a creditor of one or more of the Companies ('Creditor').

1. The Creditor appoints (name of attorney)
2. of (address of attorney)

('Attorney') to be the Creditor's attorney.

3. The Attorney may do in the name of the Creditor and on the Creditor's behalf everything necessary or expedient to:
- (a) exercise any voting power of the Creditor at any meeting of creditors convened by the Deed Administrators of Pasmenco Limited (subject to Deed of Company Arrangement) ACN 004 368 674 of that company or at a meeting of creditors of any of the other Companies;
 - (b) appoint a proxy to vote at such a meeting.
4. The Creditor declares that everything done by the Attorney in exercising powers under this power of attorney is as valid as if it had been done by the Creditor and agrees to ratify and confirm whatever the Attorney does in exercising powers under this power of attorney.
5. The Creditor declares that a person including, but not limited to, a firm, body corporate, unincorporated association or authority) who deals with the Attorney in good faith may accept a written statement signed by the Attorney to the effect that this power of attorney has not been revoked as conclusive evidence of that fact.
6. The Creditor declares that the Creditor and a person (including, but not limited to, a substitute or assign) claiming under the Creditor are bound by anything the Attorney does in exercising powers under this power of attorney.

EXECUTION OF THIS FORM BELOW ALLOWS THE PERSON APPOINTED THE ABILITY TO ATTEND AND VOTE AT ALL MEETINGS OF CREDITORS UNDER THE DEEDS

COMPLETION OF THE PROXY FORM RATHER THAN THIS FORM ALLOWS THE PERSON APPOINTED TO ATTEND AND VOTE AT THE NEXT MEETING OF CREDITORS ONLY

EXECUTED as a deed.
Signed sealed and delivered by
.....
[insert name of employee] in the presence of

Signature of witness

Signature of Employee

Name of witness (print)

FOR OFFICE USE ONLY Attorney Valid: Yes/No Cross Deed Creditor: Yes/No Amount admitted for voting: \$.....
