



DEM AUSTRALASIA

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES ("DIRRI")

PURSUANT TO SECTION 436DA(5) OF THE CORPORATIONS ACT 2001 (the "Act")
29TH OF JULY 2015

KUPANG RESOURCES LTD (ADMINISTRATOR APPOINTED)(RECEIVERS AND MANAGERS APPOINTED)
ACN 098 773 785 (the "Company").

This document requires the Practitioner appointed to an insolvent entity to make declarations as to:

- A. Their independence generally;
- B. Relationships, including
 - (a) The circumstances of the appointment;
 - (a) Any relationships with the Insolvent and others within the previous 24 months;
 - (b) Any prior professional services for the Insolvent within the previous 24 months; appointment that there are no other relationships to declare; and
- C. Any indemnities given, or up-front payments made, to the Practitioner.

The document will be presented to creditors in the circular for the first creditors meeting.

This declaration is made in respect of myself, my partners, DEM Australasia Pty Limited and related parties covered by the extended definition of firm.

A. INDEPENDENCE

I, Damien Hodgkinson, of DEM Australasia ("DEM"), Level 29, 2 Chifley Square, Sydney, NSW 2000, have undertaken a proper assessment of the risks to my independence prior to accepting the appointment as Administrator of the Company in accordance with the law and applicable professional standards, in particular the Code of Professional Practice for Insolvency Practitioners published by the Australian Restructuring Insolvency and Turnaround Association, 3rd edition, effective 1 January 2014 (the "Code").



This assessment identifies no real or potential risks to my independence or any matter which results in our having a conflict of interest of duty. I am not aware of any reason that would prevent me from accepting the appointment.

B. DECLARATION OF RELATIONSHIPS

I) CIRCUMSTANCES OF THE APPOINTMENT

Neither I nor DEM Australasia Pty Limited have had any prior involvement in the matter other than the following:

Friday 29 May 2015 – I met with Paul Lindholm, an agent of ILP and discussed the appointment of the receivers and managers over KPR and the potential need to appoint a Voluntary Administrator over the Company.

Monday 1 June 2015 – I met with Paul Lindholm, an agent of ILP, and Amanda Banton of Squire Patton Boggs to discuss the issues, claims and the structure of an appointment.

These meetings and correspondence do not affect my independence. The need for secured creditors to seek prompt and appropriate advice about their financial position is emphasised by the law and by the Regulators. It is common for Practitioners to provide such advice or other information about the insolvency process and options available to a company prior to taking an Appointment.

II) RELEVANT RELATIONSHIPS (EXCLUDING PROFESSIONAL SERVICES TO THE INSOLVENT) IN THE LAST 24 MONTHS

Neither I nor a member of my firm has or has had within the preceding 24 months a relationship with:

Name	Nature of Relationship	Reasons why no conflict of interest duty
International Litigation Partners Pte Ltd	<p>International Litigation Partners Pte (ILP) has a registered security interest over the assets of Kupang Resources Ltd.</p> <p>DEM Australasia has had no prior dealings with ILP prior to this matter.</p>	<p>There are no matters that we are aware of that would give rise to a conflict in this appointment.</p> <p>No professional or personal engagement has been had with ILP prior to engagement.</p>



III) ANY PRIOR PROFESSIONAL SERVICES FOR THE INSOLVENT WITHIN THE PREVIOUS 24 MONTHS

Neither Damien Hodgkinson, DEM Australasia; nor a related party covered by the extended definition of firm, has provided any professional services to the Company in the previous 24 months or prior period.

IV) NO OTHER RELEVANT RELATIONSHIPS TO DISCLOSE

There are no other relevant relationships of the Administrator, including personal, business and professional relationships, from the previous 24 months with the Company, an associate of the Company, a former insolvency practitioner appointment to the Company or any other person or entity that has a charge on the whole or substantially whole of the Companies' property that should be disclosed.

C. INDEMNITIES AND UP-FRONT PAYMENTS

DEM Australasia Pty Limited has agreed an upfront payment of \$50,000 with International Litigation Partners Pte Limited and an indemnity for professional costs and expenses in conducting the administration of the Company.

Dated: 29th of July 2015

Damien Mark Hodgkinson

NOTE:

- 1) If circumstances change, or new information is identified, I am required under the Corporations Act 2001 and ARITA's Code of Professional Practice to update this Declaration and provide a copy to creditors with my next communication as well as table a copy of any replacement declaration at the next meeting of the insolvent creditor's
- 2) Any relationship, indemnities or up-front payments disclosed in the DIRRI must not be such that the Practitioner is no longer independent. The purpose of components B and C of the DIRRI is to disclose relationships that, while they do not result in the Practitioner having a conflict of interest or duty, ensure that creditors are aware of those relationships and understand why the Practitioner nevertheless remains independent.