

12 October 2020

TO THE CREDITOR AS ADDRESSED

Dear Sir / Madam

SPITFIRE CORPORATION LTD ACN 602 654 964; SPITFIRE ASSET MANAGEMENT PTY LTD ACN 605 492 635; SPITFIRE MACHINES PTY LTD ACN 623 642 437; SPITFIRE OPERATIONS PTY LTD ACN 163 452 300;  
(ALL ADMINISTRATORS APPOINTED)  
(Collectively referred to as “the Spitfire Group”)

I refer to the appointment of Damien Hodgkinson and I, Katherine Elizabeth Barnet, as Joint and Several Administrators of the Spitfire Group on 7 August 2020.

**1. Second Meeting Adjournment**

Prior to the second concurrent meeting of creditors convened for 9 October 2020 (“Second Meeting”) we received a request from Storm Capital Partners Pty Ltd (“Storm”) to adjourn the Second Meeting in order for Storm to provide an updated Deed of Company Arrangement Proposal and confirm funding associated with the proposal.

Creditors resolved at the Second Meeting of creditors to adjourn the meeting to 14 October 2020 11:00AM AEST.

**2. Investigations Completed Following Adjournment**

We have completed further investigations in respect to the recoverability of litigation claims against Iglo Logistics (HK) Ltd (“Iglo”). As outlined at Sections 5 and 7 of our report to creditors dated 30 September 2020 (“Report”), Iglo entered into a subscription agreement on 12 February 2020 with Spitfire Corporation Ltd (“Spitfire Corp”) in the amount of €2.5M which remains unpaid.

Our investigations have centred around the corporate structure of Iglo and its related entities, and the likely ability of Iglo or others to pay the outstanding subscription payment (pursuant to the subscription agreement or subsequent court order). These investigations include the following:

- The subscription agreement with Iglo was executed by Cy Ong, the father of Ry Ong;
- The principal business of Cy Ong, Haisan Resources Ltd via Able Capital Ventures Sdn Bhd in Malaysia is subject to an agreement with its creditors and substantially all of its assets have been sold by regulatory orders and it was de-listed from the Malaysian Stock Exchange in 2016; and
- The principal shareholder of Haisan Resources Ltd is Able Capital Ventures Sdn Bhd is currently being wound up.

Based on our investigations we believe it is highly unlikely that Iglo or others would either be able to complete payment of the outstanding subscription amount or be able to comply with a court order in respect to same. Further, we have still not received any response to our demand issued in respect to the subscription payment or identify any parties acting for Iglo.

Accordingly, we have updated our estimated return to creditors by removing this recovery from the estimated returns. Please refer to Section 4 below in this regard.

### 3. Updated Deed Proposals

On 9 October 2020, shortly prior to the Second Meeting, we received an updated Deed proposal from Storm. Please find enclosed a copy of the updated proposal at Appendix A.

We note the updated Storm proposal includes the following material amendments:

- a) An increased DOCA fund in the amount of \$4.5m;
- b) The removal of the pre-condition to obtain a Court order pursuant to Section 444GA of the Corporations Act;
- c) The inclusion of the Akambo Pty Ltd chose of action (set out at Section 7.7.3 of our Report) to the DOCA fund;
- d) The following creditors be excluded from distributions from the Creditors Trust:
  - i) Spitfire Machines Pty Ltd in the amount of \$13,750.00
  - ii) Storm Family Investment Holdings Pty Ltd in the amount of \$112,219.19
  - iii) Wayne Johnson in the amount of \$138,457.20
- e) Spitfire Corp issue Storm new shares in Spitfire Corp which gives Storm a total shareholding of at least 85% of the total shares of Spitfire Corp.

A key issue we highlight in respect to the amended proposal from Storm is that despite assertions made by Storm's advisor, James Marshall of Ashurst that ASIC can approve the issuance of new shares, this is not the case, an Administrator does not have the power to issue shares and any share issue by the Spitfire Group requires approval of shareholders which given the share structure is unlikely to occur.

We have received an indication from Storm and their advisors that a further updated deed proposal will be received prior to the reconvened Second Meeting.

Ashurst advised us that funding of the Storm proposal would be confirmed by 5:00pm AEST today. No confirmed has been received.

There have been no amendments to the deed proposal submitted from Assurance Financial Group Pty Ltd as set out in our Report.

At the time of writing this update to creditors we have not received confirmation of funding from Storm or Assurance.

#### FIRB Approval

We were advised at the meeting that funding for the Storm proposal was being sourced overseas from principles associated with the subscribers.

We advise that any funding agreement that gives rise to a foreign entity being issued shares in an Australian company requires FIRB approval.

We have asked both parties to warrant that they do not require FIRB approval.

### 4. Updated Estimated Returns to Creditors

Based on our further investigations as outlined at Section 2 above, and the updated Deed Proposal outlined at Section 3 above, we enclose at Appendix B an updated schedule setting out the estimated returns to creditors.

### 5. Reconvened Second Meeting of Creditors

The reconvened Second Meeting of creditors will be held concurrently on **Wednesday 14 October 2020 at 11:00am (AEST)**. The meeting will be held by video conference on Microsoft Teams.

A Notice of Meeting of Creditors in accordance with Corporations Regulation 5.6.12(2) is enclosed to this letter at Appendix C.

Creditors who requested attendance at the Second Meeting which commenced on 9 October 2020 have been sent a meeting link to the reconvened Second Meeting. Any other creditors wishing to attend the reconvened Second Meeting are requested to register by emailing [ruì.wang@olveraadvisors.com](mailto:ruì.wang@olveraadvisors.com) by no later than Tuesday 13 October 2020 at 4.00pm AEST. Once you have registered, an email with a link will be provided to join the virtual meeting.

To facilitate the conduct of the meeting, **check in for the meeting will commence at 10:30am AEST 14 October 2020** and we encourage all creditors to commence check in from this time to ensure the meeting can commence at 11:00am.

Should you require any assistance in relation to these documents, please do not hesitate to contact Rui Wang of this office by telephone 02 8880 4070 or by email [ruì.wang@olveraadvisors.com](mailto:ruì.wang@olveraadvisors.com).

Yours faithfully  
The Spitfire Group



Damien Hodgkinson  
Joint & Several Administrator

Encl.

**Appendices**

- Appendix A: Updated Deed Proposal from Storm Capital Partners Pty Ltd
- Appendix B: Updated Estimated Returns to Creditors
- Appendix C: Notice of Reconvened Meetings

# Appendix A

**PROPOSAL FOR A DEED OF COMPANY ARRANGEMENT – DOCA TERM SHEET**

**Spitfire Corporation Limited (Administrators Appointed) ACN 602 654 964**

**Spitfire Asset Management Pty Ltd (Administrators Appointed) ACN 605 492 635**

**Spitfire Machines Pty Ltd (Administrators Appointed) ACN 623 642 437**

**Spitfire Operations Pty Ltd (Administrators Appointed) ACN 163 452 300**

*Unless otherwise defined in this document, capitalised terms have the meaning given to them in Schedule 1.*

<b>No.</b>	<b>Matter</b>	<b>Term</b>
1.	Proponent	Storm Capital Partners Pty Ltd ACN 605 108 576.
2.	Transaction Parties	Each DOCA Company, the Administrators and the Proponent.
3.	Purpose	<p>(a) The purpose of this Term Sheet (without limitation) is to record the key terms that will be set out in the DOCA proposed by the Proponent for the DOCA Companies.</p> <p>(b) The DOCA will have the effect of:</p> <p>(i) maximising the chances of the DOCA Companies continuing in existence;</p> <p>(ii) enabling Admitted Creditors of the DOCA Companies to receive a greater return than they would in a winding-up;</p> <p>(iii) pooling the Admitted Claims of Admitted Creditors of the DOCA Companies to enable them to prove against a single fund;</p> <p>(iv) restructuring the liabilities of the DOCA Companies so as to ensure each DOCA Company emerges from deed administration with an improved balance sheet, so as to maximise the chances of each DOCA Company continuing in existence;</p> <p>(v) facilitating the issue of new shares in the Company to the Proponent pursuant to the terms of this Term Sheet; and</p> <p>(vi) satisfying in full the Secured Debt of the DOCA Companies.</p>
4.	Deed Administrators/Trustees of Creditors Trust	<p>(a) The Administrators will be the deed administrators of the DOCA (<b>Deed Administrators</b>).</p> <p>(b) The Deed Administrators will be the trustees of the Creditors' Trust (<b>Trustees</b>).</p>
5.	Powers of the Deed Administrator	From the DOCA Effective Date to the DOCA Termination Date, the Deed Administrators will have all the powers that the directors of the DOCA Companies had in respect of the

		DOCA Companies prior to the Appointment Date as well as other powers customary for deed administrators to be described in the DOCA.
6.	Relevant Date	The Appointment Date.
7.	DOCA Effective Date	The DOCA will be binding and effective on the DOCA Effective Date.
8.	Conditions Precedent to Implementation	<p>(a) Implementation of the DOCA will be subject to satisfaction of the following conditions:</p> <ul style="list-style-type: none"> <li>(i) the Deed Administrators issue New Shares in the Company to the Proponent;</li> <li>(ii) immediately following satisfaction of Condition Precedent 8(a)(i), the Secured Debt is paid in full by the Proponent to the Secured Creditor (as the case may be) (<b>Debt Payment</b>);</li> <li>(iii) upon receipt of the Debt Payment, the Secured Creditor releases in full any Security Interests and Claims it has in respect of a DOCA Company;</li> <li>(iv) the Proponent has had an opportunity to inspect the Spitfire Digital Assets to its satisfaction; and</li> <li>(v) the Proponent is satisfied that the Spitfire Digital Assets have not materially changed since the Appointment Date (acting reasonably),</li> </ul> <p>(each a <b>Condition Precedent</b>).</p> <p>(b) Each Condition Precedent in clauses 8(a)(i), 8(a)(iii), 8(a)(iv) and 8(a)(v) of this Term Sheet is for the benefit of the Proponent and may only be waived by the Proponent in writing to the Deed Administrators.</p> <p>(c) The Condition Precedent in clause 8(a)(ii) of this Term Sheet is for the benefit of the Secured Creditor and may only be waived by the Secured Creditor (as the case may be) in writing to the Deed Administrators.</p>
9.	DOCA Contribution	The DOCA contribution is A\$4,500,000 ( <b>DOCA Contribution</b> ).
10.	Implementation Date	<p>On the Implementation Date, the following steps shall occur as soon as practicable in the following order:</p> <ul style="list-style-type: none"> <li>(a) a creditors' trust will be established for the purposes of the DOCA, named 'Spitfire Creditors' Trust' (<b>Creditors' Trust</b>);</li> <li>(b) the Proponent shall pay the DOCA Contribution to the Trustees and the Trustees must make such payment to the Creditors' Trust;</li> </ul>

		<p>(c) the Claims of all Creditors will be extinguished and released to the fullest extent possible in return for their entitlement, if any, to receive a distribution from the Trust Fund;</p> <p>(d) any Claims a DOCA Company has against each of the following parties shall be extinguished and released to the fullest extent possible:</p> <p>(i) Chin Yet Ong;</p> <p>(ii) Wayne Johnson;</p> <p>(iii) Iglo Logistics (HK) Ltd; and</p> <p>(iv) Victoria Harbour Holdings (HK) Limited;</p> <p>(e) the Nominated Directors shall be appointed directors to each DOCA Company;</p> <p>(f) the Outgoing Directors will retire, or be removed by the Deed Administrators, as directors of each DOCA Company; and</p> <p>(g) the DOCA will effectuate and terminate pursuant to fulfilment of its purpose and the Deed Administrator will file a notice of effectuation of the DOCA in the required form with ASIC.</p>
11.	Purpose of Creditors' Trust	<p>The purpose of the Creditors' Trust will be to:</p> <p>(a) enable certain tasks ordinarily undertaken by the Deed Administrator (including, but not limited to, the calling and adjudication of the Admitted Claims of Admitted Creditors) to be performed by the Trustees of the Creditors' Trust; and</p> <p>(b) facilitate the early finalisation of the DOCA on the Implementation Date.</p>
12.	Trust Fund Contribution	<p>(a) The trust fund will comprise the DOCA Contribution and the Akambo Chose in Action (including all proceeds recovered by the Trustees in respect of the Akambo Chose in Action) (<b>Trust Fund</b>).</p> <p>(b) The Trust Fund will be held on trust for the payment of the Admitted Claims of Admitted Creditors as set out in the Trust Deed.</p> <p>(c) All Claims of the Admitted Creditors will be adjudicated by the Trustee in accordance with clause 13 of this Term Sheet.</p>
13.	Facilitating the admission to proof of Claims under the Creditors' Trust	<p>(a) To facilitate the admission to proof and the determination of Admitted Claims, the relevant parts of Part 5.6 of the Act and the Rules will apply as though each DOCA Company was in liquidation with a commencement date of the Relevant Date.</p>

		(b) For the avoidance of doubt, persons will have the right to appeal a rejection of all or part of a proof of debt (being a Claim) in accordance with wording to be incorporated into the DOCA that is consistent with regulation 5.6.54(2) of the Regulations.
14.	Participating Creditors	All Creditors will have a right to prove their Claim in the DOCA except for Excluded Creditors.
15.	Application of Trust Fund	<p>(a) Admitted Creditors will have their Admitted Claims pooled and paid from the Trust Fund in the following order of priority, with each class of Admitted Creditor to be paid in full before any subsequent class is paid, or <i>pari passu</i> to the extent that there are insufficient funds to pay that class in full (<b>Dividend Payments</b>):</p> <ul style="list-style-type: none"> <li>(i) first, the Administrators' Costs;</li> <li>(ii) second, the Deed Administrators' Costs;</li> <li>(iii) third, the Trustees' Costs;</li> <li>(iv) fourth, payment of Employee Entitlements; and</li> <li>(v) fifth, payment of Admitted Claims of Admitted Creditors on a pro rata basis.</li> </ul> <p>(b) The Dividend Payments effect a pooled entitlement for the Admitted Creditors of each DOCA Company.</p> <p>(c) For the avoidance of doubt, no distribution will be made to the Excluded Creditors.</p>
16.	Distribution of Trust Fund	<p>(a) The Trust Fund will be distributed from time to time by the Trustees as soon as reasonably practicable after the receipt of funds.</p> <p>(b) The terms of sections 556, 560 and 561 of the Act shall apply as if the references to 'liquidator' were references to the 'Trustee' and with such other modifications as are necessary to give effect to the terms of this Term Sheet.</p> <p>(c) Sections 444DA and 444DB of the Act will apply to the Creditors' Trust.</p>
17.	Directors	The Deed Administrators will have the power to appoint directors and remove directors of each DOCA Company, but subject to the consent of the Proponent.
18.	Other provisions of the DOCA	<p>(a) The Deed Administrators will be obliged to:</p> <ul style="list-style-type: none"> <li>(i) give effect to the terms of the DOCA;</li> <li>(ii) use their best endeavours to ensure that the provisions in clause 17 of this Term Sheet are satisfied; and</li> <li>(iii) do all acts, matters and things, and sign all necessary documents as may be reasonably</li> </ul>

		<p>necessary for the purposes of the DOCA and the satisfaction of the provisions in clause 13 of this Term Sheet.</p> <p>(b) From the DOCA Effective Date, any officer or member of a DOCA Company or any Creditor bound by the provisions of the DOCA must not make any application to wind up the Company, continue such application or commence or continue any enforcement process in relation to the property of a DOCA Company.</p> <p>(c) The following statutory provisions will be incorporated in the DOCA:</p> <p>(i) the provisions prescribed by section 444A(5) of the Act and as contained in Schedule 8A of the Regulations;</p> <p>(ii) sections 444DA and 444DB of the Act; and</p> <p>(iii) Division 75 of the Insolvency Practice Schedule (Corporations) and Division 75 of the Insolvency Practice Rules (Corporations) 2016 apply to the DOCA, with such modifications as are necessary, to meetings of Creditors held pursuant to the DOCA.</p> <p>(d) The DOCA will contain other provisions which are customary in a DOCA of this nature.</p>
19.	Termination of DOCA	<p>The DOCA automatically terminates on the earliest of the following events:</p> <p>(a) the execution of the notice of termination in clause 10(g) of this Term Sheet in respect of each DOCA Company;</p> <p>(b) the Court makes an order terminating the DOCA under section 445D of the Act; or</p> <p>(c) the Creditors of each DOCA Company pass a resolution terminating the DOCA in accordance with section 445C(b) and 445CA of the Act.</p>
20.	Remuneration and Costs	<p>The Administrators, Deed Administrators and Trustees will be entitled to be indemnified out of and will have a lien over the Trust Fund for their Costs incurred in the Administration Period, Deed Period and Trust Period (as applicable).</p>
21.	Moratorium	<p>Until the DOCA terminates in respect of each DOCA Company, during the relevant Deed Period:</p> <p>(a) a moratorium upon actions against each DOCA Company as outlined in section 444E of the Act will apply, and includes a moratorium on any unsecured Creditor taking enforcement steps against a DOCA Company in respect of any Claim;</p>

		<p>(b) no shareholder of a DOCA Company may, without the prior written consent of the Deed Administrators:</p> <p>(i) transfer or deal with any of its shares; or</p> <p>(ii) exercise shareholder rights over any relevant shares in a manner that is contrary to the objects of the DOCA;</p> <p>(c) except as required by law, a person is not entitled as against the Deed Administrators:</p> <p>(i) to obtain possession of the books of a DOCA Company; or</p> <p>(ii) to claim or enforce a lien on such books, but such a lien is not otherwise prejudiced.</p>
22.	Bar to Claims	The DOCA may be pleaded and tendered by any DOCA Company and the recipient of any release or covenant as a total bar and defence to any legal proceeding brought at any time.
23.	Persons bound by DOCA	<p>The DOCA will bind:</p> <p>(a) the Transaction Parties; and</p> <p>(b) in respect of each DOCA Company, all other persons which, pursuant to the Act, are bound by the terms of the DOCA.</p>
24.	Governing Law	The laws of New South Wales, Australia apply and the Transaction Parties submit to the exclusive jurisdiction of the courts of that State.

## SCHEDULE 1

### Defined Terms

Term	Definition
<b>Act</b>	means the <i>Corporations Act 2001</i> (Cth).
<b>Administration Period</b>	means the period beginning on the Appointment Date and ending on the day the Administrator ceases to be administrator of each DOCA Company.
<b>Administrator</b>	means each of Katherine Elizabeth Barnet and Damien Mark Hodgkinson of Olvera Advisors Pty Ltd, in their capacity as joint and several administrators of each DOCA Company.
<b>Admitted Claim</b>	means a Claim against a DOCA Company that is admitted to proof by the Administrator, Deed Administrator or Trustee (as applicable).
<b>Admitted Creditor</b>	means a Creditor with an Admitted Claim.
<b>Akambo Chose in Action</b>	means the Claim Spitfire Asset Management Pty Ltd (Administrators Appointed) has against Akambo Pty Ltd in respect of a heads of agreement dated on or about 3 April 2018 (as set out in clause 7.7.3 of the Report to Creditors).
<b>Appointment Date</b>	means 7 August 2020.
<b>ASIC</b>	means the Australian Securities and Investments Commission.
<b>Claim</b>	<p>means a debt payable by, and all claims against, a DOCA Company (whether present or future, certain or contingent, ascertained or sounding only in damages, expenses, environmental liability, tax, duty, liability, loss, obligation, suit, action, demand, cause of action, prayer for relief, proceeding, judgment, whether direct or indirect, consequential, incidental or economic, known or unknown as at the Appointment Date, liquidated or unliquidated), being debts or claims any of the circumstances giving rise to which occurred on or before the Appointment Date including without limitation:</p> <ul style="list-style-type: none"> <li>(a) a debt or claim arising pursuant to any guarantee or indemnity (including contingent claims);</li> <li>(b) a debt or claim arising pursuant to any option contract or any current or future right to shares, notes or other instruments in a DOCA Company;</li> <li>(c) subject to section 444D(3) of the Act, a debt or claim of an owner or lessor of property;</li> <li>(d) subject to section 444D(2) of the Act, a debt or claim of a Secured Creditor; and</li> <li>(e) all debts or claims provable in a winding up of each DOCA Company pursuant to section 553 of the Act.</li> </ul>
<b>Company</b>	Spitfire Corporation Limited (Administrators Appointed) ACN 602 654 964.
<b>Condition Precedent</b>	has the meaning given to that term in clause 8 of this Term Sheet.
<b>Continuing Employees</b>	means Duncan Comrie.
<b>Costs</b>	means costs, charges, fees, government charges, taxes and expenses, including those incurred in connection with advisers and incurred in connection with the performance of the Administrators' or the Deed Administrators' or the Trustees' duties, obligations and responsibilities under the Act, the DOCA and the Creditors' Trust during the Administration Period, Deed Period and Trust Period (as applicable).

<b>Creditor</b>	means a person who, or entity that, has a Claim against any DOCA Company, the circumstances giving rise to which occurred before the Relevant Date.
<b>Creditors' Trust</b>	has the meaning given to that term in clause 10 of this Term Sheet.
<b>Debt Payment</b>	has the meaning given to that term in clause 8 of this Term Sheet.
<b>Deed Administrators</b>	has the meaning given to that term in clause 4 of this Term Sheet.
<b>Deed Period</b>	means the period beginning on the DOCA Effective Date and ending on the DOCA Termination Date.
<b>DOCA</b>	means a deed of company arrangement executed by the Proponent, each DOCA Company and the Deed Administrators in accordance with Part 5.3A of the Act.
<b>DOCA Company</b>	means each of: (a) the Company; (b) Spitfire Asset Management Pty Ltd (Administrators Appointed) ACN 605 492 635; (c) Spitfire Machines Pty Ltd (Administrators Appointed) ACN 623 642 437; and (d) Spitfire Operations Pty Ltd (Administrators Appointed) ACN 163 452 300.
<b>DOCA Contribution</b>	has the meaning given to that term in clause 9 of this Term Sheet.
<b>DOCA Effective Date</b>	means the date that the DOCA is executed by the Deed Administrator, the Proponent and each DOCA Company.
<b>DOCA Termination Date</b>	means the date on which the DOCA is terminated upon its completion in accordance with clause 19 of this Term Sheet.
<b>Employee</b>	has the same meaning as "eligible employee creditor" has in section 9 of the Act as though the reference to "company" was to each DOCA Company.
<b>Employee Entitlement</b>	means: (a) the Admitted Claim of any Employee for, in respect of, or arising in connection with any amount that would rank in priority under section 556(1) of the Act if the winding-up of a DOCA Company had commenced on the Relevant Date; (b) includes the Claims of all Employees (including the Continuing Employees) for outstanding or unpaid superannuation contributions as at the Relevant Date; and (c) subject to paragraph (b) above, does not include the accrued entitlements of Continuing Employees.
<b>Excluded Creditors</b>	means: (a) Creditors with Claims arising from, under or in connection with an Intercompany Loan; (b) the Proponent in respect of the following amounts: (i) \$13,750 owed by Spitfire Machines Pty Ltd (Administrators Appointed); (ii) \$28,011.21 owed by the Company;

	<p>(c) Storm Family Investment Holdings Pty Ltd (ACN 613 806 438) as trustee for the Storm Family Fund in respect of \$112,219.19 owed by the Company; and</p> <p>(d) Wayne Johnson in respect of \$138,457.20 owed by Spitfire Machines Pty Ltd (Administrators Appointed).</p>
<b>Implementation Date</b>	<p>means the latest of the following dates:</p> <p>(a) the date on which each Condition Precedent has been satisfied or waived; and</p> <p>(b) such later date as agreed in writing by the Transaction Parties (each acting reasonably).</p>
<b>Intercompany Loan</b>	means a loan between a DOCA Company and any subsidiary of the Company.
<b>New Shares</b>	means the number of new shares in the Company, which gives the Proponent a total shareholding of at least 85% of the total shares on issue in the Company.
<b>Nominated Directors</b>	means individuals to be nominated by the Proponent on or before the Implementation Date.
<b>Outgoing Directors</b>	<p>means each of:</p> <p>(a) Brian David Thomas; and</p> <p>(b) Laurence Michael Milne (in his capacity as director and as company secretary of a DOCA Company (as applicable)).</p>
<b>PPSA</b>	means the <i>Personal Property Securities Act 2009</i> (Cth).
<b>Proponent</b>	has the meaning given to that term in clause 1 of this Term Sheet.
<b>Regulations</b>	means the <i>Corporations Regulations 2001</i> (Cth) made under the Act.
<b>Relevant Date</b>	has the meaning given to that term in clause 6 of this Term Sheet.
<b>Report to Creditors</b>	means the report to creditors issued by Olvera Advisors in respect of the DOCA Companies dated 30 September 2020.
<b>Rules</b>	means the <i>Insolvency Practice Rules (Corporations) 2016</i> (Cth).
<b>Secured Creditor</b>	means any Creditor with a Security Interest as at the Appointment Date and, for the avoidance of doubt, includes any such Creditor with a Claim by way of subrogation.
<b>Secured Debt</b>	means a debt owed by a DOCA Company to a Secured Creditor that is secured by a Security Interest.
<b>Security Interest</b>	means any mortgage, chattel mortgage, pledge, lien, charge, agreement, set-off or assignment which secures the payment of any liability including any security interest for the purposes of the PPSA.
<b>Source Code</b>	means the code of the Merlin and ShareAnalysis platforms.
<b>Spitfire Digital Assets</b>	<p>means each of the following for a DOCA Company (without limitation):</p> <p>(a) the Source Code;</p> <p>(b) IT infrastructure (including physical and virtual servers);</p> <p>(c) operational systems;</p> <p>(d) domain names;</p> <p>(e) cryptographic information and credentials;</p> <p>(f) development environments;</p>

	<p>(g) documentation for:</p> <p>(i) repositories relating to Atlassian, Google Drive and Drop Box (if applicable); and</p> <p>(ii) the IT systems (including manuals, technical designs and operational guides);</p> <p>(h) design assets and design system (including logos, fonts, brand style guides and UI/UX guides and standards);</p> <p>(i) corporate IT systems (including email systems, HR systems and file shares);</p> <p>(j) asset and data custody agreements (including IP assets of the organisation); and</p> <p>(k) agreements with Employees, contractors, consultants and other third parties.</p>
<b>Transaction Parties</b>	has the meaning given to that term in clause 2 of this Term Sheet.
<b>Trustees</b>	has the meaning given to that term in clause 4 of this Term Sheet.
<b>Trust Deed</b>	means the deed to be entered into governing the terms of the Creditors' Trust.
<b>Trust Fund</b>	has the meaning given to that term in clause 12 of this Term Sheet.
<b>Trust Period</b>	means the period from the date the Creditors' Trust is created to the date all the funds in the Trust Fund have been distributed by the Trustees in accordance with clause 15 of this Term Sheet.

# Appendix B

Spitfire Group (All Administrators Appointed)  
Estimated Potential Returns to Creditors

	Spitfire Corp		Asset Management		Machines		Operations		Assurance DOCA		Storm DOCA (updated)	
	Liq Low Return	Liq High Return	Liq Low Return	Liq High Return	Liq Low Return	Liq High Return	Liq Low Return	Liq High Return	Low Return	High Return	Low Return	High Return
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Assets</b>												
Cash at Bank	-	-	2,252	2,252	-	-	2	2	-	-	-	-
Tax R&D Rebates	-	-	-	-	-	-	-	-	-	-	-	-
Deed Contribution	-	-	-	-	-	-	-	-	3,350,000	3,350,000	4,500,000	4,500,000
<b>Total Circulating Assets</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,252</b>	<b>\$2,252</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2</b>	<b>\$2</b>	<b>\$3,350,000</b>	<b>\$3,350,000</b>	<b>\$4,500,000</b>	<b>\$4,500,000</b>
<b>Non Circulating</b>												
Investment in Subsidiary	Withheld	Withheld	-	-	-	-	-	-	-	-	-	-
Litigation	-	3,772,381	-	-	-	-	-	-	-	2,270,056	-	1,633,569
Other Intangibles	-	-	-	-	-	-	-	100,000	-	-	-	-
Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Non Circulating Assets</b>	<b>\$0</b>	<b>\$3,772,381</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$100,000</b>	<b>\$0</b>	<b>\$2,270,056</b>	<b>\$0</b>	<b>\$1,633,569</b>
<b>Add: Voidable Transaction Realisations</b>												
Preferences, Uncommercial & Director Related	-	50,000	-	-	-	-	-	-	-	-	-	-
Insolvent Trading	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Realisations Voidable Transactions</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Assets Available</b>	<b>\$0</b>	<b>\$3,822,381</b>	<b>\$2,252</b>	<b>\$2,252</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2</b>	<b>\$100,002</b>	<b>\$3,350,000</b>	<b>\$5,620,056</b>	<b>\$4,500,000</b>	<b>\$6,133,569</b>
<b>Less: Costs of External Administration</b>												
Administrator Remuneration	217,877	217,877	42,033	42,033	33,832	33,832	35,837	35,837	329,579	329,579	329,579	329,579
Administrator Costs 444GA and 447A	-	-	-	-	-	-	-	-	-	-	25,000	25,000
Estimated Liquidators Remuneration	180,000	150,000	40,000	20,000	40,000	20,000	50,000	30,000	-	-	-	-
Estimated DOCA Admin. Remuneration	-	-	-	-	-	-	-	-	20,000	10,000	20,000	10,000
Estimated Trustee Remuneration	-	-	-	-	-	-	-	-	80,000	50,000	80,000	50,000
Estimated Liq or DOCA Disbursements	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-	5,000	-
Estimated Legal and Expert Costs	70,000	60,000	14,000	10,000	14,000	10,000	14,000	10,000	112,000	90,000	187,000	165,000
<b>Total Costs of Recovery</b>	<b>\$472,877</b>	<b>\$427,877</b>	<b>\$101,033</b>	<b>\$72,033</b>	<b>\$92,832</b>	<b>\$63,832</b>	<b>\$104,837</b>	<b>\$75,837</b>	<b>\$546,579</b>	<b>\$479,579</b>	<b>\$646,579</b>	<b>\$579,579</b>
<b>Assets Available to Employees</b>	<b>(\$472,877)</b>	<b>\$3,394,504</b>	<b>(\$98,781)</b>	<b>-\$69,781</b>	<b>(\$92,832)</b>	<b>(\$63,832)</b>	<b>(\$104,835)</b>	<b>\$24,165</b>	<b>\$2,803,421</b>	<b>\$5,140,477</b>	<b>\$3,853,421</b>	<b>\$5,553,990</b>
<b>Less: Employee Entitlements</b>												
Superannuation	101,052	101,052	62,515	62,515	36,510	35,798	2,082	2,082	201,447	201,447	201,447	201,447
Priority Creditor Claims - Wages	135,730	56,214	161,651	124,623	106,665	71,517	-	-	252,354	252,354	252,354	252,354
Priority Creditor Claims - Leave / Other	30,397	30,397	34,135	34,135	31,402	18,039	-	-	82,571	82,571	82,571	82,571
<b>Total Employee Entitlements</b>	<b>\$267,179</b>	<b>\$187,663</b>	<b>\$258,301</b>	<b>\$221,273</b>	<b>\$174,577</b>	<b>\$125,353</b>	<b>\$2,082</b>	<b>\$2,082</b>	<b>\$536,372</b>	<b>\$536,372</b>	<b>\$536,372</b>	<b>\$536,372</b>
<b>Assets Available to Secured Creditors</b>	<b>(\$740,056)</b>	<b>\$3,206,841</b>	<b>(\$357,082)</b>	<b>(\$291,054)</b>	<b>(\$267,409)</b>	<b>(\$189,185)</b>	<b>(\$106,918)</b>	<b>\$22,082</b>	<b>\$2,267,049</b>	<b>\$4,604,106</b>	<b>\$3,317,049</b>	<b>\$5,017,618</b>
<b>Less: Secured Creditor</b>												
Secured Debt	646,012	500,926	-	-	-	-	-	-	646,012	500,926	646,012	500,926
<b>Total Secured Claims</b>	<b>\$646,012</b>	<b>\$500,926</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$646,012</b>	<b>\$500,926</b>	<b>\$646,012</b>	<b>\$500,926</b>
<b>Assets Available to Creditors</b>	<b>(\$1,386,068)</b>	<b>\$2,705,915</b>	<b>(\$357,082)</b>	<b>(\$291,054)</b>	<b>(\$267,409)</b>	<b>(\$189,185)</b>	<b>(\$106,918)</b>	<b>\$22,082</b>	<b>\$1,621,037</b>	<b>\$4,103,180</b>	<b>\$2,671,037</b>	<b>\$4,516,692</b>
<b>Less: Unsecured Creditor claims</b>												
Unrelated Unsecured Creditors	2,362,663	1,943,596	1,172,002	721,619	802,205	780,863	431,768	377,058	4,768,638	3,823,136	4,768,638	3,823,136
Related Unsecured Creditors	934,513	914,705	32,100	32,100	-	-	-	-	347,742	264,087	715,937	715,937
Excluded Employee Entitlements	-	-	367,839	367,839	-	-	-	-	-	-	367,839	367,839
Unsecured Tax Liabilities	30,439	30,439	306,702	306,702	68,489	68,489	-	-	405,630	405,630	405,630	405,630
<b>Total Unsecured Creditor Claims</b>	<b>\$3,327,615</b>	<b>\$2,888,740</b>	<b>\$1,878,643</b>	<b>\$1,428,260</b>	<b>\$870,694</b>	<b>\$849,352</b>	<b>\$431,768</b>	<b>\$377,058</b>	<b>\$5,522,010</b>	<b>\$4,492,853</b>	<b>\$6,258,044</b>	<b>\$5,312,541</b>
<b>Estimated Surplus / Deficiency</b>	<b>(\$4,713,683)</b>	<b>(\$182,825)</b>	<b>(\$2,235,725)</b>	<b>(\$1,719,314)</b>	<b>(\$1,138,103)</b>	<b>(\$1,038,537)</b>	<b>(\$538,686)</b>	<b>(\$354,975)</b>	<b>(\$3,900,973)</b>	<b>(\$389,673)</b>	<b>(\$3,587,006)</b>	<b>(\$795,849)</b>
<b>Estimated Return to Creditors (c/\$)</b>												
Priority Creditors	FEG	FEG	FEG	FEG	FEG	FEG	FEG	FEG	100	100	100	100
Secured Creditor	100	100	N/A	N/A	N/A	N/A	N/A	N/A	100	100	100	100
Unsecured Creditors	Unknown	Unknown	Nil	Nil	Nil	Nil	Nil	Nil	29	100	43	85

# Appendix C

**NOTICE OF RECONVENED SECOND MEETING OF  
CREDITORS OF COMPANIES UNDER ADMINISTRATION**

CORPORATIONS ACT 2001  
*Section 439A*  
Insolvency Practice Rules (Corporations)  
75-10, 75-15 & 75-225

SPITFIRE CORPORATION LTD ACN 602 654 964;  
SPITFIRE ASSET MANAGEMENT PTY LTD ACN 605 492 635;  
SPITFIRE MACHINES PTY LTD ACN 623 642 437;  
SPITFIRE OPERATIONS PTY LTD ACN 163 452 300;  
(ALL ADMINISTRATORS APPOINTED)  
(Collectively referred to as “Companies”)

Notice is now given that the concurrent meeting of the creditors of the Companies will be reconvened via video conference on **Wednesday, 14 October 2020 at 11:00AM AEST**.

Due to the threat of COVID-19, and consistent with government policy on gatherings, a virtual meeting will be held to minimise the risk of exposure to COVID-19 and to help limit the spread. The meeting of creditors will be held by video conference in accordance with IPR 75-35.

Check in for the meeting will commence at **10.15am** and we encourage all creditors to commence check in from this time to ensure the meeting can commence at 11.00 am.

**AGENDA**

The purpose of the meeting(s) is:

1. To receive the report by the Administrators about the business, property, affairs and financial circumstances of the Companies circulated on 30 September 2020.
2. For creditors of the Companies to resolve:
  - a. that the Companies execute a Deed of Company Arrangement; or
  - b. that the administrations should end; or
  - c. that the Companies be wound up.
3. To determine the remuneration of the Administrators.
4. To determine the future remuneration of the Administrators.
5. If the Companies are wound up, to determine the Liquidators' future remuneration.
6. If the Companies execute a Deed of Company Arrangement, to determine the Deed Administrators' future remuneration if appointed.
7. If the companies are wound up, to consider the early destruction of books and records.
8. Any other business.

Attendance at this meeting is not compulsory. Creditors may attend and vote in person, by proxy or by attorney\*. The appointment of a proxy must be in the approved form.

A special proxy can be lodged showing approval or rejection of each resolution. Proxy forms must be given to me as Administrator or the person named as convening the meeting. An attorney of the creditor must show the instrument by which he or she is appointed to the Chairperson of the meeting, prior to the commencement of the meeting.

Video conference details:

- We ask that you register to attend the virtual meeting by advising Rui Wang of my office on [rui.wang@olveraadvisors.com](mailto:rui.wang@olveraadvisors.com) no later than Tuesday 13 October 2020 at 4.00pm AEST if you did not already register for the meeting which commenced on 9 October 2020 . The video conference link will be provided upon registration.
- Please note under Insolvency Practice Rules (Corporations) (IPR) Section 75-35 if you wish to participate in the meeting using such facilities, you must give to the convener:
  - (a) A written statement setting out:
    - (i) the name of the person and of the proxy or attorney (if any);
    - (ii) an address to which notices to the person, proxy or attorney may be sent; and
    - (iii) a method by which the person, proxy or attorney may be contacted for the purposes of the meeting.

DATED this 12<sup>th</sup> day of October 2020.



Damien Hodgkinson

Joint and Several Administrator

**Notes:**

**\*Voting at a Meeting, the effect of Insolvency Practice Rules (Corporations) 75-85:**

**Entitlement to vote at meetings of creditors**

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
  - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
  - (b) he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:
    - (i) those particulars; or
    - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
  - (a) an unliquidated debt; or
  - (b) a contingent debt; or
  - (c) an unliquidated or a contingent claim; or
  - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
  - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
  - (b) estimate its value;
  - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
  - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
  - (b) the person is either liable to the Company directly, or may be liable to the Company on the default of another person with respect to the liability; and
  - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.