

## Annual Report to Creditors 16 March 2018

Oceanlinx Limited (Receivers and Managers Appointed) (In Liquidation)  
ACN 077 104 404 (the Company, Oceanlinx)

### 1 Update on the Liquidation

#### 1.1 Federal Court of Australia Proceedings No. NSD461/2016

As reported to creditors previously, including in the reports to creditors dated 3 March 2016, 5 May 2016 and 15 March 2017:

- (a) on 10 December 2014, Ocean Energy Construction Pty Ltd (**OEC**) and Robit Nominees Pty Ltd (**Robit**) commenced proceedings against, inter alia, the Company and the Liquidators, in respect of the conduct of the sale of the Company's intellectual property by the Liquidators to a third party;
- (b) on 11 March 2016, his Honour Justice Yates handed down judgment in favour of the defendants, and subsequently ordered that OEC and Robit pay the defendants' costs; and
- (c) on 2 April 2016, OEC (but not Robit) filed and served a Notice of Appeal in respect of his Honour's judgment.

On 20 June 2016, the Court ordered that OEC provide security for the appeal costs of the Company and the Liquidators in the amount of \$33,367.25. The appeal is stayed until such security is provided, and if security is not provided within 21 days after final orders being made in Federal Court of Australia Proceedings No. NSD337/2016 (referred to in more detail below), then the appeal will be dismissed with costs.

As such, the Company and the Liquidators are not presently required to take any further steps in the appeal.

On 30 October 2017, Mr Mathew Gollant of Rodgers Reidy Accountants was appointed as liquidator of Robit. He was subsequently replaced by Mr Todd Gammel and Mr Barry Taylor of HLB Mann Judd Accountants.

The Liquidators have lodged a proof of debt on behalf of themselves and the Company in respect of the costs order in their favour against Robit.

#### 1.2 Federal Court of Australia Proceedings No. NSD337/2016

As reported to creditors previously including on 5 May 2016 and 15 March 2017, OEC commenced proceedings against the Company, the Liquidators and the Receivers asserting, inter alia, a priority claim to insurance settlement proceeds received by the Company by virtue of the sinking of the Company's wave energy converter machine in South Australia in March 2014.

The Receivers have subsequently settled the claims made against them by OEC.

In accordance with orders made by the Court on 29 August 2016, OEC has paid the first of two tranches of security for the Liquidators' and the Company's costs in the amount of \$60,000. The second tranche will be payable by six weeks before the commencement of the final hearing in the Proceedings.

The parties' pleadings are now closed, and the parties have each filed and served their affidavit evidence in chief.

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OEC's affidavit evidence in reply is due to be filed and served by 12 April 2018.

The matter is listed for directions on 17 April 2018, and it is expected that a final hearing date will be set down on that occasion.

## **2 Notice of Disclaimer of Property**

On 27 March 2017, I gave notice to the relevant parties that the Liquidators disclaim any interest in the property of the Company described as the GreenWAVE prototype located off the coast of Carrickalinga, South Australia. This was as a result of the prototype being considered as unsaleable and that it may have given rise to a liability to pay money or some other onerous obligation.

## **3 Estimated Statement of Position (ESOP)**

Creditors are advised that I have not prepared an updated ESOP to that which was provided in our 2016 and 2017 Annual Reports. This is due to the material uncertainty surrounding the various Court proceedings summarised above. Once these proceedings have been finalised, we will provide creditors with an updated ESOP.

## **4 Receipts and Payments**

Attached at **Annexure A** is a copy of the receipts and payments in the winding up of the Company for the annual anniversary period to 17 December 2017.

## **5 Liquidators' Annual Obligations**

This report is provided to creditors of the Company pursuant to Section 508 of the *Corporations Act 2001* (**the Act**) and should be read in conjunction with our previous reports and updates issued in this matter.

Should you have any further queries in this matter, please do not hesitate to contact George Simos of this office on (02) 9322 5447 or by email at [gsimos@deloitte.com.au](mailto:gsimos@deloitte.com.au).

Yours faithfully,



**Vaughan Neil Strawbridge**  
Liquidator

**Oceanlinx Limited**  
**(In Liquidation)**

**Liquidators' Summary of Receipts and Payments**  
**To 17 December 2017**

<b>RECEIPTS</b>	<b>Total (AUD)</b>
Cash at Bank	72,250.93
Bank Interest	5,723.15
Transfer balance of account from Rec	100,000.00
T'fer bal Insurance Proceeds from R&M	1,800,000.00
GST Clearing Account	72,064.78
<b>Total Receipts</b>	<b>2,050,038.86</b>
<b>PAYMENTS</b>	
Bank Charges	7.85
Hire of Meeting Room	525.00
Insurance of Assets (Taxable)	8,200.00
Legal Fees (Taxable)	317,241.13
Stamp Duty	742.50
Liquidators Remuneration (VA Period)	86,565.00
Liquidators Disbursements (VA Period)	6,117.59
Cost of Advertising	2,171.35
Consultancy Fees	660.00
Employees (E)	4,587.20
Contingent Liabilities (J)	700,000.00
GST Receivable	42,148.02
<b>Total Payments</b>	<b>1,168,965.64</b>
<b>Cash at Bank</b>	<b>881,073.22</b>