



Summary

*In the Matter of Pluton Resources Ltd
(Receiver and Manager Appointed) (In Liquidation)
(ACN 114 561 732)*

26 October 2018

Justice Michael Sifris in the Victorian Supreme Court has granted the court-appointed special purpose liquidator of iron ore mining company Pluton Resources Ltd until 30 June 2020 to investigate and, if deemed necessary, commence proceedings in relation to several transactions by the company that were made before September 2015, when it was placed in external administration.

Pluton Resources, which operated an iron ore mine on Cockatoo Island and Irvine Island off the northern coast of Western Australia, has been in the hands of multiple firms of insolvency specialists in the past three years, including Hall Chadwick, FTI Consulting, KordaMentha, Pitcher Partners, Auxilium Partners, Ernst & Young and PricewaterhouseCoopers.

On 6 September 2018, Justice Sifris, on the application of two unsecured creditors, appointed Laurence Fitzgerald of William Buck to be special purpose liquidator. On 26 October 2018, Mr Fitzgerald sought leave to extend the period in which he could commence proceedings in relation to the transactions to a full two years, citing the need to examine Pluton's books and records, potentially conduct public examinations and obtain a litigation funding agreement.

Justice Sifris declined to grant the full extension, saying Mr Fitzgerald could have until June 2020 but his staff would "have to just get on with it". His Honour said there was clearly a need for the special purpose liquidator to undertake investigations into certain transactions by Pluton directors, noting two reports by previous liquidators had identified 16 transactions that required scrutiny. Justice Sifris said the potentially voidable transactions, which include uncommercial transactions, unfair preferences and insolvent trading claims, involved "large" sums.

NOTE: This summary is necessarily incomplete. The only authoritative pronouncement of the Court's reasons and conclusions is that contained in the published reasons for judgment. No written reasons have been published for this decision.