

HD **Pluton locked in receivership battle**

BY Fraser Beattie

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Pluton Resources is in the midst of a battle between creditors, with its major shareholder General Nice Resources and secured creditor Rizhao Port Group Logistics fighting over who gets to appoint receivers to the **iron ore** miner.

Pluton announced to the ASX today that Rizhao had appointed Ian Francis and Michael Ryan of FTI Consulting as receivers, however, it argued that FTI and solicitor Mony De Kerloy's actions were not permitted without consent from GNR.

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Pluton, led by chairman Paul D'Sylva, said it had made repeated requests for details of the relevant officer who authorised the appointment, but had been denied by FTI and Mony De Kerloy.

"The **company**'s solicitors have notified all of (its) employees and suppliers and alerted them that no **company** property or information is to be delivered to FTI until further notice," Pluton said in a statement.

"GNR has advised the **company** that it will appoint a receiver and require that Rizhao withdraw the appointment immediately."

Pluton said its advisers, Chimaera Capital Markets, had been in discussions with Rizhao and will be meeting with them tomorrow to discuss the refinancing of the amount it owes the **Chinese** creditor.

"These initial discussions together with discussions with representatives of Wise **Energy** Group have confirmed that the action taken appears to have been initiated by Wise," Pluton said.

Wise is Pluton's joint venture partner at the Cockatoo Island **iron ore** project in the Pilbara.

"Rizhao, Wise, FTI and Money De Kerloy have been notified that their actions have caused damage to the **company** and all rights have been reserved."

Meanwhile, Watpac Civil & **Mining**, who is a shareholder and unsecured creditor of Pluton, said it had taken steps to suspend its contract for work at Cockatoo Island, which it is already owed about \$19 **million** for.

"Watpac expects to meet with the receivers early this week, following which the **company** will assess the status of the contract and whether to resume **mining** services at Cockatoo Island," the Perth-based **mining** contractor said in a statement.

"As an unsecured creditor, Watpac will also consider its options in respect of the amounts owing to it under the contract."

Last week, Pluton said Wise wanted to bump Pluton off as manager of the project and called for it to halt **mining operations**.

The demand from Wise followed the failure of Pluton to complete a planned **purchase** of Wise assets, which comprise a 50 per cent **stake** in the joint venture.

Pluton's shares have been suspended from trade in May and last traded at 3.4 cents per share.

Watpac's share price closed 5.9 per cent lower at 79 cents per share today.

CO foteic : FTI Consulting Inc

IN i211 : Metal Ore Mining | i2111 : Iron Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | iacc : Accounting/Consulting | ibcs : Business/Consumer Services | icnsl : Business Consultancy

RE austr : Australia | waustr : Western Australia | apacz : Asia Pacific | ausnz : Australia/Oceania

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