

5 January 2018

Please email:  
oxusgold@bdo.co.uk

## TO ALL CREDITORS

Dear Sirs

### **Oxus Gold Plc - In Administration ('the Company')**

It is now 23 months since my appointment in respect of the Company. In accordance with Rule 18.6 of the Insolvency (England and Wales) Rules 2016 I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration for the period from 9 June 2017 to 8 December 2017. This report should be read in conjunction with previous progress reports.

#### **1 Statutory Information**

The Joint Administrators are Malcolm Cohen (officeholder number: 6825) and Shane Crooks (officeholder number: 15110) both of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the above Company on 27 January 2016. Under the provisions of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 the Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.

The Administrators were appointed by the Directors of the Company, pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice, Chancery Division and the court case number is 482 of 2016.

The Company's registered office is situated at 55 Baker Street, London, W1U 7EU and the registered number is 04056219.

#### **2 Events leading up to the Appointment of the Joint Administrators**

In my proposals report of 11 March 2016, I outlined the timeline of events leading up to the Appointment of the Joint Administrators. The proposals, along with this and prior statutory reports are available online for the benefit of creditors and shareholders, at the following webpage:

<http://www.bdo.co.uk/services/business-restructuring/oxus-gold-plc-in-administration>.

This webpage can also be navigated to from the main [bdo.co.uk](http://www.bdo.co.uk) website by searching for "Oxus Gold". I would request that if any paper copies of the proposals or other reports are required, an email request should be sent to me at [oxusgold@bdo.co.uk](mailto:oxusgold@bdo.co.uk).

The Company was incorporated on 21 August 2000 as a precious metals mining and exploration entity. The principal activities of the Company and its subsidiary companies (“the Group”) comprised the investment in Amantaytau Goldfields (“AGF”) in Uzbekistan.

As previously reported, following action taken by the Uzbek Government, the Group had been engaged in international UNCITRAL arbitration proceedings (“the Arbitration”) against the Uzbek Government in order to seek appropriate compensation for the loss of its investment in AGF and for the loss of the Khandiza base metals project in 2006. In September 2012 the Group submitted its Statement of Claim to the Arbitral Tribunal (“the Tribunal”) and the hearing by the Tribunal took place at the end of April and the beginning of May 2014.

In order to enable it to pursue its claims against the Uzbek Government, the Company entered into a litigation funding agreement (“LFA”) with Gretton Ltd (“Gretton”). Under the terms of the LFA, Gretton was granted a mortgage over the proceeds of the Company’s claims to the extent of amounts due to it under the LFA.

On 21 December 2015, the Tribunal dismissed the Company’s claims in regard to the Khandiza deposit entirely. The Company’s claims in regard to AGF were also dismissed, save for a finding of a breach of “fair and equitable treatment” in relation to the Uzbek tax regime applicable to AGF. The Tribunal awarded the Company \$10,299,572 in damages with compound interest of LIBOR + 2% for the corresponding years of 2004 to 2010. This was much lower than the Company had anticipated.

On 27 January 2016 an application for appointment of Joint Administrators was made by the directors of the Company, pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986. On 27 January 2016, Shane Crooks and I were appointed Joint Administrators.

### **3 Receipts & Payments**

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £13,645. I consider these receipts and payments to be self-explanatory but should you have any further queries please contact us.

### **4 Investigation**

The Joint Administrators have a duty to investigate the affairs of the Company to establish if there are any actions that can be pursued for the benefit of the creditors as a whole and also to examine the conduct of the directors. In this latter respect the Joint Administrators must submit a confidential report to the Secretary of State regarding the conduct of all directors and shadow directors during the three years before the Administration. I can confirm this report has been submitted.

### **5 Arbitration and Litigation**

As previously reported, following my appointment, I confirmed the retention of the Company’s existing French and English lawyers to deal with the ongoing arbitration and litigation involving the Company. We have consulted with them regarding the future conduct of the proceedings, as well as with representatives of Gretton, who are funding any further action, as well as having the first ranking economic interest in the outcome of the proceedings.

The Company is advised that some of the adverse findings of the Award can be considered as having been reached by the Tribunal in violation of French Law. For this reason, the Company has initiated setting-aside proceedings against the Award before the Paris Court of Appeals in order to obtain its partial annulment. The Company is advised that these proceedings do not affect the enforceability of the Final Award as a

matter of the law of France, the State in which the Award is deemed to have been rendered, and the Company retains all its rights in relation thereto.

The Republic of Uzbekistan raised a number of technical admissibility arguments with a view to preventing Oxus from pursuing its Partial Annulment Application. These arguments were contested by the Company's French lawyers and the decision was given on 31 October 2017 by the Paris Court of Appeal ("the Court"), dismissing Uzbekistan's appeal against the Court Order of 19 January 2017 which had rejected Uzbekistan's admissibility objection against the Company's Partial Annulment Application and thus confirms that Order.

The Court also ordered Uzbekistan to pay EUR 8,000 of costs on the basis of Article 700 of the French Code of Civil Procedure.

The Court has now set a timetable for submissions on the merits of the Company's Partial Annulment Application and has also set the hearing date for 26 March 2019. The Administrators had hoped to obtain an earlier date for the hearing, but this degree of delay is not unusual in the Court. However, we are pleased that Uzbekistan's technical objections to the admissibility of the Company's Partial Annulment Application have now been dismissed in their entirety and that the proceedings on the partial annulment of the Award may now proceed.

Following the March 2019 hearing on the merits of the Company's Partial Annulment Application, we would expect a final decision to be issued by the Court in mid to late 2019, which is later than we had previously been anticipating.

The Joint Administrators had consented to allow Gretton, as the sole secured creditor of Oxus, to seek to enforce the existing award of \$10,299,572 in damages plus interest against the Republic of Uzbekistan pursuant to its mortgage over the proceeds of the Company's claims. Gretton pursued an attachment order over a business property registered in the name of the Republic of Uzbekistan in Switzerland.

In a judgment issued in February 2017, the local Swiss court withheld consent for Gretton to enforce the existing award. That judgment was upheld on appeal by Gretton to the Cantonal Court Schwyz on 27 October 2017. Gretton has appealed further to the Federal Supreme Court and the attachment order is still in place. It is not known when a decision might be expected.

## **6 Prospects for Creditors**

Under Section 176A of the Insolvency Act 1986, where after 15 September 2003 a company has granted to a creditor a floating charge a proportion of the net property of the company must be made available purely for the unsecured creditors. The Company has not granted a floating charge to any creditor after 15 September 2003 and consequently there will be no prescribed part in this Administration.

Except to the extent that the Company is successful in obtaining a partial annulment of the arbitration decision and subsequently obtains a significantly larger award in a further arbitration, there is no source of funds available for distribution to the Company's preferential and unsecured creditors, or shareholders.

## **8 Creditor Claims**

### *Secured Creditor*

As mentioned above, the only secured creditor is Gretton, by the way of mortgage securing all amounts payable under the LFA. Based on an Award in order of \$10m plus interest, Gretton will not receive its full entitlement as a secured creditor.

### *Preferential Creditors*

Preferential claims are those of employees with arrears of wages (capped at £800 per employee), outstanding holiday pay (uncapped) and those of the Redundancy Payments Service in respect of statutory redundancy payments made to employees.

All employees were paid up to 31 January 2016 and therefore there are no preferential claims for unpaid wages. The total amount of preferential claims is estimated at £7,455 for unpaid holiday.

### *Unsecured Creditors*

The records of the Company indicate that the unsecured creditors are in the order of £9.5m, comprising:

Trade Creditors - £1.3m  
Intercompany Loans - £8.25m

There are also contingent guarantee claims of approximately \$1m in respect of a drill leasing arrangement with Atlas Copco Customer Finance AB.

There is a disputed claim of \$10.8m which has been made, although not formally proved in the administration, by the Uzbek Government in respect of an Award made in Uzbekistan. Proceedings were commenced in the UK High Court against the Company in relation to this Award. These proceedings have been stayed pending the outcome of the Arbitration.

Until and unless funds become available for distribution to unsecured creditors, we do not intend to take steps to review or adjudicate claims.

## **9 Administrators' Remuneration and Disbursements**

Pursuant to the Rules, the Joint Administrators are obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Joint Administrators and their staff have spent attending to matters in the administration; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above.

The creditors have already approved the Joint Administrators' remuneration on a time cost basis. However, we have not drawn any funds from the Administration estate directly.

I attach two schedules detailing the time costs incurred to date. The first schedule covers the period of this report, 9 June 2017 to 8 December 2017. This records time costs of £30,893 which represents 99 hours spent at an average charge out rate of £313 per hour.

The second schedule covers the whole period of appointment and records time costs of £242,034 which represents 716 hours spent at an average charge out rate of £338 per hour.

No consent is required from creditors in respect of the fees paid directly by Gretton.

### *Disbursements*

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. Since my last report category 1 disbursements of £17 have accrued in respect of data storage.

Some administrators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements.

The creditors have previously approved that the Joint Administrators be authorised to draw category 2 disbursements in respect of postage, stationary, photocopying charges, telephone, fax and other electronic communications on the basis of £12.50 per creditor in the first year of the Administration and £6.25 per creditor in respect of each subsequent year.

Total disbursements of £820 have been incurred in this Administration as detailed below.

	Cat 1 (£)	Cat 2 (£)	Total (£)
Bonding	200.00	-	200.00
Recharge of Admin Costs	-	432.97	432.97
Travel	170.02	-	170.02
Data Storage	16.73	-	16.73
	<b>386.75</b>	<b>432.97</b>	<b>819.72</b>

To date category 1 disbursements of £295 have been drawn in respect of bonding (£200) and travel costs (£95). Category 2 disbursements of £433 have been drawn following approval from the secured creditor. These disbursements were drawn in the period of this report.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

## **10 Creditor rights and enquiries**

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request we will provide further information or explain why further information is not being provided. Creditors may access information setting out creditors' rights in respect of the approval of Administrator's remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the administrators, or the basis fixed for the remuneration of the administrator or expenses charged by the administrator are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this draft report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at: <http://www.icaew.com/en/members/regulations-standards-and-guidance/ethics/code-of-ethics-d>

Creditors may access information setting out creditors' rights in respect of the approval of Joint Administrators' remuneration at <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

Should you have any questions regarding this report, please email [oxusgold@bdo.co.uk](mailto:oxusgold@bdo.co.uk), although I should make it clear that we will not be able to give any further details of the arbitration proceedings or the expected outcome.

Yours faithfully  
For and on behalf of  
Oxus Gold Plc

A handwritten signature in blue ink, appearing to read 'M. Cohen', with a long horizontal flourish extending to the right.

Malcolm Cohen  
Joint Administrator  
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

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**Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:**

**Creditors' and members' requests for further information in administration, winding up and bankruptcy**

**18.9.**—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
  - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
  - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
  - (d) any unsecured creditor with the permission of the court; or
  - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—
- (a) providing all of the information requested;
  - (b) providing some of the information requested; or
  - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—
- (a) the time or cost of preparation of the information would be excessive; or
  - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
  - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
  - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—
- (a) the office-holder giving reasons for not providing all of the information requested; or
  - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

**Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive**

**18.34.**—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or

- (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—
  - (a) a secured creditor,
  - (b) an unsecured creditor with either—
    - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
    - (ii) the permission of the court, or
  - (c) in a members' voluntary winding up—
    - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
    - (ii) a member of the company with the permission of the court.
- (3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question (“the relevant report”).

**Applications under rules 18.34 and 18.35 where the court has given permission for the application**

- 18.36.**—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.
- (2) Where the court has given permission, it must fix a venue for the application to be heard.
  - (3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.
  - (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
    - (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
    - (b) an order reducing any fixed rate or amount;
    - (c) an order changing the basis of remuneration;
    - (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
    - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
      - (i) the administrator or liquidator or the administrator’s or liquidator’s personal representative to the company, or
      - (ii) the trustee or the trustee’s personal representative to such person as the court may specify as property comprised in the bankrupt’s estate;
    - (f) any other order that it thinks just.
  - (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
  - (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.



**Applications under rule 18.34 where the court's permission is not required for the application**

**18.37.**—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the office-holder is entitled to charge;

(b) an order reducing any fixed rate or amount;

(c) an order changing the basis of remuneration;

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;

(e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —

(i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or

(ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;

(f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.

Oxus Gold Plc - In Administration

Summary of Joint Administrators' Receipts and Payments from 27 January 2016 to 8 December 2017

	Estimated to realise per Directors' Statement of Affairs (£)	Change Since Previous Report (£)	Total Realisations (£)
<b>RECEIPTS</b>			
Cash at Bank	52,081.00	-	53,340.49
Third Party Funding		7,889.97	19,414.77
Bank Interest		3.42	36.61
	<u>52,081.00</u>	<u>7,893.39</u>	<u>72,791.87</u>
<b>PAYMENTS</b>			
Professional Fees		-	213.43
Legal Fees		9,810.77	45,516.77
Pre Appointment Joint Administrators' Costs		-	12,000.00
Administrators' Disbursements		727.99	819.72
Storage Costs		-	574.03
Bank Charges		0.70	22.75
		<u>10,539.46</u>	<u>59,146.70</u>
<b>BALANCE IN HAND</b>			13,645.17
		<u>10,539.46</u>	<u>72,791.87</u>

BDO LLP  
55 Baker Street  
London  
W1U 7EU

Malcolm Cohen & Shane Crooks  
Joint Administrators

**Notes**

1. Additional third party funding has also been paid directly to BDO LLP, as outlined in the report.

Name of Assignment      **Oxus Gold Plc - ADM**

**Summary of Time Charged and Rates Applicable for the Period From 09/06/2017 to 08/12/2017**

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
General Administration	8.00	5,928.00	16.40	9,199.90	0.05	6.20	0.35	43.40	23.80	3,839.00	0.10	6.70	48.70	19,023.20
Assets Realisation/Dealing			6.30	3,603.60					17.25	3,846.75			23.55	7,450.35
Reporting			2.30	1,307.20					24.00	3,112.00			26.30	4,419.20
	8.00	5,928.00	25.00	14,110.70	0.05	6.20	0.35	43.40	65.05	10,797.75	0.10	6.70		
													98.55	30,892.75
														0.00
														16.73
														727.99
														<b>31,637.47</b>

Name of Assignment

Oxus Gold Plc - ADM

Detail of Time Charged and Rates Applicable for the Period From 27/01/2016 to 08/12/2017

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
<b>Steps on Appointment</b>														
Statutory Documentation									16.00	1,888.00			16.00	1,888.00
Third Party Discussions									10.50	1,239.00			10.50	1,239.00
Attendance at Premises									7.50	885.00			7.50	885.00
Preparation of Proposals									32.50	3,835.00			32.50	3,835.00
<b>sub total - Steps on Appointment</b>				<b>0.00</b>					<b>66.50</b>	<b>7,847.00</b>			<b>66.50</b>	<b>7,847.00</b>
<b>Planning and Strategy</b>														
Review Bus. Process/Systems									0.50	78.50			0.50	78.50
Strategy Planning	6.00	4,181.00											6.00	4,181.00
Reporting			0.60	336.00									0.60	336.00
<b>sub total - Planning and Strategy</b>	<b>6.00</b>	<b>4,181.00</b>	<b>0.60</b>	<b>336.00</b>					<b>0.50</b>	<b>78.50</b>			<b>7.10</b>	<b>4,595.50</b>
<b>General Administration</b>														
Insurance Matters			0.30	168.00									0.30	168.00
VAT			1.90	989.20					0.90	142.80			2.80	1,132.00
Taxation			1.00	478.00					1.25	196.25			2.25	674.25
Instruct/Liase Solicitors	26.00	18,481.00	49.80	25,752.00									75.80	44,233.00

## Name of Assignment

Oxus Gold Plc - ADM

## Detail of Time Charged and Rates Applicable for the Period From 27/01/2016 to 08/12/2017

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
Investigations			0.90	451.80									0.90	451.80
Receipts/Payments Accounts			1.60	348.70	0.15	25.40	1.55	276.30	24.10	2,688.85	2.95	222.75	30.35	3,562.00
Remuneration Issues			1.40	769.90									1.40	769.90
Statutory Matters			17.00	9,520.00									17.00	9,520.00
Court Hearings	10.50	7,613.00	126.80	69,806.50									137.30	77,419.50
General Meetings									3.50	640.50			3.50	640.50
General Discussions									2.00	236.00			2.00	236.00
Gen. Admin/Correspondence	0.60	295.40	73.20	36,493.90					138.45	18,829.60			212.25	55,618.90
Maintain Internal Files									2.50	447.50			2.50	447.50
<b>sub total - General Administration</b>	<b>37.10</b>	<b>26,389.40</b>	<b>273.90</b>	<b>144,778.00</b>	<b>0.15</b>	<b>25.40</b>	<b>1.55</b>	<b>276.30</b>	<b>172.70</b>	<b>23,181.50</b>	<b>2.95</b>	<b>222.75</b>	<b>488.35</b>	<b>194,873.35</b>
<b>Assets Realisation/Dealing</b>														
Sale of Business/Assets			6.30	3,603.60					17.25	3,846.75			23.55	7,450.35
<b>sub total - Assets Realisation/Dealing</b>			<b>6.30</b>	<b>3,603.60</b>					<b>17.25</b>	<b>3,846.75</b>			<b>23.55</b>	<b>7,450.35</b>
<b>Employee Matters</b>														
Dealing with Employees			1.20	255.60					8.20	970.20			9.40	1,225.80

Name of Assignment

Oxus Gold Plc - ADM

Detail of Time Charged and Rates Applicable for the Period From 27/01/2016 to 08/12/2017

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £	Hours	Total £
Other Matters											0.30	31.20	0.30	31.20
sub total - Employee Matters			1.20	255.60					8.20	970.20	0.30	31.20	9.70	1,257.00
Creditor Claims														
Preferential Creditors									1.50	196.50			1.50	196.50
Non-Preferential Creditors			2.00	956.00					1.35	176.85			3.35	1,132.85
sub total - Creditor Claims			2.00	956.00					2.85	373.35			4.85	1,329.35
Reporting														
Statutory Reporting									80.50	10,500.00			80.50	10,500.00
Reporting to Creditors			22.70	11,798.30					10.00	1,726.00			32.70	13,524.30
sub total - Reporting			22.70	11,798.30					90.50	12,226.00			113.20	24,024.30
<b>Net Total</b>												241,376.85		
<b>Secretarial Expense</b>												0.00		
<b>Other Disbursements</b>												819.72		
<b>Billed</b>												-116,123.99		
<b>Grand Total</b>												<b>126,072.58</b>		



## Oxus Gold Plc - In Administration

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

GRADE	£
Partner	741
Manager	328-572
Assistant Manager	295
Senior Administrator	276-295
Administrator	67-249
Other staff	102

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed on a regular basis each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories:-

- Pre Appointment
- Steps upon Appointment
- Planning and Strategy
- General Administration
- Asset Realisation/Management
- Trading Related Matters
- Employee Matters
- Creditor Claims
- Reporting
- Distribution and Closure
- Other Issues.

Under each of the above categories the work is recorded in greater detail in sub categories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

### 1) Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.



## 2) Category 1

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

## 3) Category 2

Insolvency practice additionally provides for the recharge of expenses such as printing, stationery, photocopying charges, telephone, email and other electronic communications eg webhosting, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency (England and Wales) Rules 2016, before they can be drawn, and these are known as category 2 disbursements. The current policy of BDO LLP is to recharge this expense on the basis of a figure based upon the number of creditors with whom we have to communicate and report during the insolvency. This is the method of calculation that was historically provided under statutory orders for the Official Receiver.

In respect of the Administration of Oxus Gold Plc we propose to charge £12.50 (plus VAT) for the first year and £6.25 (plus VAT) for each subsequent year, per creditor. This will cover the disbursement costs of for printing and stationery, together with all photocopying, telephone, email and other electronic communications eg webhosting. Creditors will be invited to approve a resolution to this effect. During the first year the Administrators will issue 3 reports and in successive years 2 reports.

A further disbursement under this heading is the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP  
4 January 2018