

27 February 2004

**TO THE SHAREHOLDER AS ADDRESSED**

Dear Sir/Madam

**RE: PASMINGO LIMITED  
(SUBJECT TO DEED OF COMPANY ARRANGEMENT)  
ACN 004 368 674  
("PASMINGO")**

**MELBOURNE**

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I refer to previous correspondence and now provide an update on the status of the Pasmingo Administration.

**Tax Position**

As advised previously, we have received a tax ruling from the Australian Taxation Office advising that despite the Deed Administrators making a declaration deeming Pasmingo shares worthless, a Capital Gains Tax event has not occurred under current legislation. This meant that to date, Pasmingo shareholders have been unable to claim a tax loss on their shares.

Recently, however, the Australian Taxation Office issued an Interpretative Decision (ATOID 2003/1024) that may possibly allow Pasmingo shareholders to claim a tax loss on their shares.

A copy of ATOID 2003/1024 is available at:

**<http://law.ato.gov.au/atolaw/search.htm>**

To access the Interpretative Decision, place a tick in the box marked 'ATO Interpretative Decision' and type '2003/1024' in the box located next to the search button.

**Note:** Shareholders must seek their own taxation advice in relation to the application of ATOID 2003/1024 to their individual circumstances. The Deed Administrators, (or any member or employee of Ferrier Hodgson), are not in any way providing tax advice in respect of this matter.

**Equity and Float Option**

As you may be aware, an announcement was made to the Australian Stock Exchange on 29 January 2004 confirming that the Pasmingo Committee of Creditors has approved the Deed Administrators' decision to proceed with the Equity and Float Option for the Pasmingo Group.

When replying please quote:

Our Ref: :FH:

Your Ref:

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**RESTRUCTURE & TURNAROUND**

**FINANCIAL DUE DILIGENCE**

**FORENSIC ACCOUNTING**

**INSOLVENCY MANAGEMENT**

This option involves a new company, Zinifex Limited, acquiring certain shares and other interests in entities that operate key assets in the Pasma Group.

It is intended that the shares in Zinifex Limited will be sold through an Initial Public Offering. Refer below at footnote 1.

Members of the public, including Pasma shareholders, may apply for shares in Zinifex Limited. Any shareholders interested in obtaining further information, including details of how investors might subscribe for shares in Zinifex Limited, should refer to the Zinifex website at [www.zinifex.com](http://www.zinifex.com)

Should you require any further information in relation to this letter, please call 1300 132 554.

Yours faithfully

A handwritten signature in black ink, appearing to read 'P D McCluskey', with a long horizontal flourish extending to the right.

**P D McCLUSKEY**  
**DEED ADMINISTRATOR**

1. Zinifex Limited shares will be offered for sale under a Prospectus and an Institutional Offering Memorandum. Any person who wishes to acquire shares under the prospectus offer will be required to complete the application form that will be in or accompany the prospectus. Copies of the prospectus will be available from the Zinifex website [www.zinifex.com](http://www.zinifex.com).

The shares of Zinifex Limited offered will not be or have not been registered under the US Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.