



Exhibit D

FERRIER HODGSON
—
CHARTERED ACCOUNTANTS

SECOND REPORT TO
THE HIGH COURT OF NEW ZEALAND
HAMILTON REGISTRY

ON

PARAGON OIL SYSTEMS LIMITED
(In Receivership)

IN

CP 80/00

12 March 2001

INDEPENDENT NEW ZEALAND PRACTICE INTERNATIONALLY AFFILIATED WITH THE FERRIER HODGSON GROUP
LEVEL 16 TOWER CENTRE 45 QUEEN STREET PO. BOX 982 AUCKLAND 1 NEW ZEALAND
TELEPHONE: 0-9-307 7805 FACSIMILE: 0-9-377 7794

16/03/01 14:34:48; 93778380FAXADVANTAGE->
FROM : +54 9 377794
TO : 52778280FAXADVANTAGE
2001.03.16 14:33 #886 P.03/ Page 003
; ROBERT FARDELL

Creditor	Last Report	Current Account	Mr Siemer Agrees to Payment	Platinum	Mr Siemer Disputed Payment	Paid
	£	£	£	£	£	£
Paragon Transport	355.33	355.33	355.33			355.33
Paragon's Lawyers	645.00	645.00	645.00			645.00
Bruckfield's Lawyers	270.00	270.00	270.00			270.00
Bruckfield's Lawyers	1,413.64	1,785.81	1,413.64		7,371.97	1,413.64
British Telecommunications NZ Limited	2,202.84	2,202.84			2,202.84	
GB-Bell Properties	288.21	288.21			165.00	
Compass Communications	168.90	168.90			136.00	
Complete Flooring	133.00	133.00			112.50	
Consulting Engineers Limited	112.50	112.50	12,097.13			202.35
Cook & Colver Engineering Limited	12,097.13	12,097.13	292.38			
David Watt Audit Services	282.38	282.38			105.28	
EME Business Services	105.28	105.28			1,700.78	
EMA Roulston	1,700.78	1,700.78	405.00		405.00	80.15
FR Hill & Co Limited	405.00	405.00	80.15		6,298.21	
L K Clarke	80.15	80.15				6,811.32
Intech Intertrans Auckland Limited	6,298.21	6,298.21	6,811.32		264.28	
Mac Ewen	6,811.32	6,811.32			7,870.71	
Michael Watt Engineering	264.28	264.28	264.28		23.38	284.36
Moran MC Limited	3,670.71	3,670.71		51,250.00		
Platinum Printers Limited	304.83	304.83	1,069.48			79.58
Precision Aluminium Limited	51,250.00	51,250.00	79.58			
Pump & Valve	1,069.48	1,069.48				400.75
Sabata Capital	79.58	79.58				
Steel & Tube Fabricators	2,343.50	2,343.50	408.75		234.30	
Telecom NZ Limited	408.75	408.75				63.00
University of Canterbury	234.30	234.30	85.00		3,431.85	
Mrs McLeod's Claim	85.00	85.00				
Mr Siemer's Costs	3,821.85	3,821.85	625.28			846.58
Waterford Plumbing Services	625.28	625.28	846.58		988.35	
WCS Energy	846.58	846.58				303.75
WCS Energy	988.35	988.35	303.75			
Total	512,634.21	512,634.21	512,634.21	51,250.00	527,081.14	512,634.21

We had begun disbursing monies to unsecured creditors on the basis of our understanding that funds would be provided by shareholders to support ongoing trading costs as provided in our cashflow forecasts. We now have no such assurance and accordingly no further funds will be released to pre-receivership creditors.

The "disputed" creditors relate in part to items such as the phone and power which Mr Siemer believes are not debts of Paragon as Paragon was not granted access to the premises for the period from October to date of receivership. He also states that the accounts are not in the name of Paragon. Further disputed creditors arise as Mr Siemer wishes to examine further documentation before agreeing to payment or further time to decide if payment will be authorised.

Eula McLeod

Mrs McLeod's claim relates to outstanding wages and holiday pay due for the pre receivership period. We have reviewed this claim and it appears to be in line with her previous employment conditions and contract. As neither of the Waterford or Siemer parties has had an opportunity to review this claim we have accounted for it as a contingency. We have not received a claim from John Wilson.

Mrs McCaig & Mr Rutherford

We have received claims from these two parties for outstanding wages for a period of 12.6 weeks. You will recall from our last

Page 7

FROM : +64 9 3777794

TO : 93778380@FAXADVANCEPAGE->

16/03/01 14:34:48;93778380@FAXADVANCEPAGE->

2001-03-15 14:35 #885 P.11/1

ROBERT FARDELL

Page 011