



**Second Cross-Respondent's Defence to Cross Claim**

No. VID1072 of 2024

Federal Court of Australia  
District Registry: Victoria  
Division: General

**Edwin Paul Cayzer**

Applicant

**Phoslock Environmental Technologies Ltd (ACN 009 555 290)** and others named in the  
Schedule

Respondents

**KPMG (a firm) (ABN 51 194 660 183)**

Cross-claimant

**Phoslock Environmental Technologies Ltd (ACN 009 555 290)** and others named in the  
Schedule

Cross-respondents

**PRELIMINARY**

- A. This Defence to KPMG's Cross-Claim is provided:
- (a) pursuant to the Orders made by the Court including Order 2 made on 18 July 2025; and
  - (b) save where an express admission is pleaded below, without admissions.
- B. Unless the context otherwise requires, the Second Cross-Respondent adopts the defined terms in the Fourth Respondent's Statement of Cross-Claim filed on 11 July 2025 (**Cross-Claim**), but does not admit any factual assertions contained in, or in any way implied by, any defined term used in the Cross-Claim.
- C. In accordance with principle and usual practice, the Second Cross-Respondent has not pleaded to the particulars in the Cross-Claim. Nothing in this Defence should be taken to be an admission of any fact alleged in the particulars to the Cross-Claim.

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Filed on behalf of	Laurence Freedman, Second Cross-respondent
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- D. The Second Cross-Respondent maintains to the maximum extent possible the privilege against self-exposure to a penalty and/or self-incrimination (the **Privileges**). Nothing in this Defence should be taken as expressly or impliedly waiving those claims of privilege. The Second Cross-Respondent does not admit or denies allegations contained in the Cross-Claim where he relies on the Privileges. The Second Cross-Respondent reserves the right to plead additional matters in response to those allegations, following the closure of the Cross-Claimant's case, including to plead positive defences, defences under ss 1041I(1B), 1041L and 1041N of the *Corporations Act 2001* (Cth) (**Corporations Act**), ss 12GF(18) 12GP and/or 12GR of the *Australian Securities and Investments Commission Act 2001* (Cth), and ss 87C8, 87CD and/or 1378 of the *Competition and Consumer Act 2010* (Cth) and/or seek relief from liability under s 1318 of the Corporations Act. The Second Cross-Respondent also relies on the right to alter any non-admission of an allegation to a positive denial following closure of the Cross-Claimant's case at trial.
- E. This Defence is provided without prejudice to the entitlement of the Second Cross-Respondent to submit, at the close of the Cross-Claimant's case, that he has no case to answer.
- F. The Second Cross-Respondent reserves the right to advance additional material in support of his Defence, the details of which will be disclosed by way of amendments to this Defence and/or by adducing evidence in support of his Defence after the close of the Cross-Claimant's case.
- G. The Second Cross-Respondent does not plead to, or does not admit, certain allegations in the Cross-Claim that are not made (or which do not appear to be made) against him. By adopting that approach, the Second Cross-Respondent does not intend to be taken to admit those paragraphs. To the extent that this form of pleading would otherwise be deemed an admission by the Second Cross-Respondent, the relevant allegations are denied, without prejudice to the Second Cross-Respondent's maintenance of the Privileges as referred to above.
- H. Headings used in this Defence are for convenience only. They do not form part of the Second Cross-Respondent's Defence.
1. As to paragraph 1 of the Cross-Claim, the Second Cross-Respondent:
- (a) refers to and repeats paragraphs 1 to 7, 14 to 48 and 53 to 61 of his Defence filed on 11 July 2025 to the Applicant's Amended Statement of Claim filed on 21 March 2025 (**Defence to the Applicant's Claim**);

- (b) says that it is unclear the extent to which paragraph 1 of the Cross-Claim contains allegations against him and, in those premises, the paragraph is vague and embarrassing;
- (c) asserts the Privileges; and
- (d) otherwise does not admit paragraph 1 to the extent (if any) that it contains allegations against him and does not plead to paragraph 1 of the Cross-Claim to the extent it does not contain allegations against him.

**A. KPMG Retainer**

2. As to paragraph 2 of the Cross-Claim, the Second Cross-Respondent:

- (a) says that he was not a party to the 2017 Retainer or the 2018 Retainer;
- (b) says that the parties to the 2017 Retainer and the 2018 Retainer were KPMG on the one part and Phoslock and/or Phoslock and its controlled entities on the other;
- (c) relies on the terms of the 2017 Retainer and the 2018 Retainer for their full force and effect; and
- (d) asserts the Privileges and otherwise denies the paragraph.

3. As to paragraph 3 of the Cross-Claim, the Second Cross-Respondent:

- (a) repeats paragraph 2 above;
- (b) says he was not a member of the Audit Committee of Phoslock;
- (c) otherwise asserts the Privileges and denies the paragraph to the extent that it contains allegations against him; and
- (d) does not plead to the paragraph to the extent it does not contain allegations against him.

4. As to paragraph 4 of the Cross-Claim, the Second Cross-Respondent:

- (a) repeats paragraph 3 above; and
- (b) asserts the Privileges and otherwise denies the paragraph.

**B. Misleading conduct**

**FY18 Financial Report**

- 5. The Second Cross-Respondent does not plead to paragraph 5 of the Cross-Claim as it does not contain any allegations against him.
- 6. The Second Cross-Respondent does not plead to paragraph 6 of the Cross-Claim as it does not contain any allegations against him.

7. The Second Cross-Respondent does not plead to paragraph 7 of the Cross-Claim as it does not contain any allegations against him.

#### **Extended FY18 Financial Report**

8. The Second Cross-Respondent does not plead to paragraph 8 of the Cross-Claim as it does not contain any allegations against him.
9. The Second Cross-Respondent does not plead to paragraph 9 of the Cross-Claim as it does not contain any allegations against him.
10. The Second Cross-Respondent does not plead to paragraph 10 of the Cross-Claim as it does not contain any allegations against him.

#### **FY19 Financial Report**

11. The Second Cross-Respondent does not plead to paragraph 11 of the Cross-Claim as it does not contain any allegations against him.
12. The Second Cross-Respondent does not plead to paragraph 12 of the Cross-Claim as it does not contain any allegations against him.
13. The Second Cross-Respondent does not plead to paragraph 13 of the Cross-Claim as it does not contain any allegations against him.

#### **Contraventions**

14. The Second Cross-Respondent does not plead to paragraph 14 of the Cross-Claim as it does not contain any allegations against him.
15. The Second Cross-Respondent does not plead to paragraph 15 of the Cross-Claim as it does not contain any allegations against him.
16. The Second Cross-Respondent does not plead to paragraph 16 of the Cross-Claim as it does not contain any allegations against him.
17. The Second Cross-Respondent does not plead to paragraph 17 of the Cross-Claim as it does not contain any allegations against him.
18. The Second Cross-Respondent does not plead to paragraph 18 of the Cross-Claim as it does not contain any allegations against him.

#### **Loss or damage**

19. The Second Cross-Respondent does not plead to paragraph 19 of the Cross-Claim as it does not contain any allegations against him.
20. The Second Cross-Respondent does not plead to paragraph 20 of the Cross-Claim as it does not contain any allegations against him.

21. The Second Cross-Respondent does not plead to paragraph 21 of the Cross-Claim as it does not contain any allegations against him.
22. The Second Cross-Respondent does not plead to paragraph 22 of the Cross-Claim as it does not contain any allegations against him.

**C. Contribution**

23. As to paragraph 23 of the Cross-Claim, the Second Cross-Respondent:
  - (a) repeats paragraphs 75 to 153 and 234 to 255 of his Defence to the Applicant's Claim; and
  - (b) asserts the Privileges and otherwise denies the paragraph.
24. As to paragraph 24 of the Cross-Claim, the Second Cross-Respondent:
  - (a) repeats paragraph 23 above; and
  - (b) otherwise asserts the Privileges and denies the paragraph.
25. As to paragraph 25 of the Cross-Claim, the Second Cross-Respondent:
  - (a) repeats paragraphs 23 and 24 above; and
  - (b) asserts the Privileges and otherwise denies the paragraph.
26. As to paragraph 26 of the Cross-Claim, the Second Cross-Respondent:
  - (a) repeats paragraphs 79 to 153 and 234 to 255 of his Defence to the Applicant's Claim; and
  - (b) asserts the Privileges and otherwise denies the paragraph.
27. As to paragraph 27 of the Cross-Claim, the Second Cross-Respondent:
  - (a) repeats paragraph 26 above; and
  - (b) asserts the Privileges and otherwise denies the paragraph.

Date: 29 August 2025



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**Mangioni Biggs + Co**  
Lawyers for the Second Respondent

**This pleading was prepared by Sonia Tame and Emily Hall, counsel.**

**Certificate of lawyer**

I Robert Mangioni certify to the Court that, in relation to the Defence to Cross Claim filed on behalf of the Second Respondent, the factual and legal material available to me at present provides a proper basis for:

- (a) each allegation in the pleading; and
- (b) each denial in the pleading; and
- (c) each non admission in the pleading.

Date: 29 August 2025



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**Mangioni Biggs + Co**  
Lawyers for the Second Respondent

**Schedule**

No. VID1072 of 2024

Federal Court of Australia  
District Registry: Victoria  
Division: General

**Applicant**

Edwin Paul Cayzer

**Respondents**

First Respondent	Phoslock Environmental Technologies Ltd
Second Respondent	Laurence Freedman
Third Respondent	Robert Schuitema
Fourth Respondent	KPMG (a firm) ABN 51 194 660 183

**Cross-Claimant** KPMG (a firm) ABN 51 194 660 183

**Cross-Respondents**

First Cross-Respondent	Phoslock Environmental Technologies Ltd
Second Cross-Respondent	Laurence Freedman
Third Cross-Respondent	Robert Schuitema

## NOTICE OF FILING

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Document Lodged: Defence - Form 33 - Rule 16.32  
Court of Filing: FEDERAL COURT OF AUSTRALIA (FCA)  
Date of Lodgment: 29/08/2025 2:42:53 PM AEST  
Date Accepted for Filing: 29/08/2025 2:47:57 PM AEST  
File Number: VID1072/2024  
File Title: EDWIN PAUL CAYZER v PHOSLOCK ENVIRONMENTAL  
TECHNOLOGIES LTD (ACN 099 555 290) & ORS  
Registry: VICTORIA REGISTRY - FEDERAL COURT OF AUSTRALIA



*Sia Lagos*

Registrar

### Important Information

This Notice has been inserted as the first page of the document which has been accepted for electronic filing. It is now taken to be part of that document for the purposes of the proceeding in the Court and contains important information for all parties to that proceeding. It must be included in the document served on each of those parties.

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