Australian Pacific Coal Limited (Receivers Appointed) ACN 089 206 986
AQC Investments 1 Pty Ltd ACN 609 954 716
AQC Investments 2 Pty Ltd (Receivers Appointed) ACN 609 954 734
AQC Services Pty Ltd ACN 133 205 964
Area Coal Pty Ltd ACN 132 643 193
Felix St Pty Ltd ACN 138 950 991
Mining Investments One Pty Ltd ACN 123 222 266
(All Administrators Appointed)
(collectively, the Companies

Circular to Creditors

As you are aware, Shaun Fraser and I were appointed Administrators of the Companies on 24 August 2026.

The purpose of this circular is to provide you with information about the second statutory meetings of creditors (**Second Meetings**).

The second meetings of creditors will be held concurrently, and as follows:

Date: **Monday, 28 September 2026**
Time: **2:00PM (AEST)**
Address: **By virtual meeting only**

The meeting will be held virtually using online video conferencing. The online video conference can be joined from a computer (preferred) or telephone. Questions can be typed or asked verbally during the meeting.

Please confirm whether you wish to attend the meeting, prior to **4:00PM (AEST) on Friday, 25 September 2026**, by contacting Marco Micalizzi of my staff by email (aqcentities@mcgrathnicol.com) or telephone +61 2 9248 9973. You will then be provided with detailed instructions on how to participate in the virtual meeting.

To enable creditors to make an informed decision about the future of the Companies, we enclose our Administrators' Report about the company's business, property, affairs and financial circumstance, including our opinion as to which outcome of the administration process is in the creditors' best interests.

We enclose a notice of meeting. To participate in this meeting, you must submit a proof of debt to substantiate your claim. **If you have already lodged a proof of debt, you are not required to do so again.** If the creditor is a person and will attend the meeting, this is all that is required. However, if the creditor is another type of entity (such as a company), they must also appoint a person – a "proxy" or person authorised under a power of attorney – to vote on behalf of the creditor at the meeting. A proxy should also be appointed if the creditor is a person, but is not available to attend the meeting.

You can appoint the chairperson of the meeting as your proxy. Proxy forms lodged by creditors for the first meeting **cannot** be used for the second meeting.

Proof of debt and proxy forms are enclosed, together with guidance notes to assist you when you complete them. To ensure that the meeting is conducted as efficiently as possible, completed proof of debt and, if applicable, proxy forms must be returned to Marco Micalizzi by post or by email to aqcentities@mcgrathnicol.com by **4.00 PM (AEST) Friday, 25 September 2026**. Email communication is preferred given delays with delivery of the post. If you are using the post to return your forms, please ensure you use the 'express post' option.

We also enclose general information for attending and voting at meetings of creditors.

What you should do next

You should:

- read the enclosed information;
- decide whether you are going to participate in the second meeting; and if so

- confirm your intention to participate by contacting Marco Micalizzi of my staff by email (aqcentities@mcgrathnicol.com) or telephone +61 2 9248 9973 by 4:00pm (AEST) Friday, 25 September 2026; and
- complete and return your proof of debt and proxy form (if required) by 4:00PM (AEST) Friday, 25 September 2026.

If you have any queries, please contact Marco Micalizzi via email (aqcentities@mcgrathnicol.com) or telephone on +61 2 9248 9973. For further information about this engagement, please refer to the website https://www.mcgrathnicol.com/creditors/aqc-entities/

Dated: 21 September 2026

Jonathan Henry
Administrator

Enclosure:

Administrators' Report to Creditors

McGrathNicol

Australian Pacific Coal Limited (Receivers Appointed) ACN 089 206 986

AQC Investments 1 Pty Ltd ACN 609 954 716

AQC Investments 2 Pty Ltd (Receivers Appointed) ACN 609 954 734

AQC Services Pty Ltd ACN 133 205 964

Area Coal Pty Ltd ACN 132 643 193

Felix St Pty Ltd ACN 138 950 991

Mining Investments One Pty Ltd ACN 123 222 266

(All Administrators Appointed)

(collectively, the Companies)

Administrators' report to creditors pursuant to section 75-225 of the Insolvency Practice Rules (Corporations) 2016

21 September 2026

Contents

Appendices

Defined terms

In this Report, unless otherwise provided, refer to the following definitions and abbreviations.

Term	Definition
ACN	Australian Company Number
Act	Corporations Act 2001 (Cth)
Administrators	Shaun Fraser and Jonathan Henry
AEST	Australian Eastern Standard Time
Appointment Date	24 August 2026, being the day that Shaun Fraser and Jonathan Henry were appointed Administrators
AQC	Australian Pacific Coal Limited (Administrators Appointed) (Receivers Appointed) (ASX:AQC) ACN 089 206 986
AQC Dartbrook	AQC Dartbrook Pty Ltd (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) ACN 000 012 813
AQC Dartbrook Management	AQC Dartbrook Management Pty Ltd (Subject to Deed of Company Arrangement) (Receivers and Managers Appointed) ACN 007 377 577
AQC Group	AQC and all subsidiary entities
AQCI 1	AQC Investments 1 Pty Ltd (Administrators Appointed) ACN 609 954 716
AQCI 2	AQC Investments 2 Pty Ltd (Administrators Appointed) (Receivers Appointed) ACN 609 954 734
AQC Services	AQC Services Pty Ltd (Administrators Appointed) ACN 133 205 964
Area Coal	Area Coal Pty Ltd (Administrators Appointed) ACN 132 643 193
ARITA	Australian Restructuring Insolvency and Turnaround Association
ARITA Code	ARITA Code of Professional Practice
ASIC	Australian Securities and Investments Commission
ASX	Australian Securities Exchange
ATO	Australian Taxation Office
CFO	Chief Financial Officer of AQC
COI	Committee of Inspection
Companies	AQC, AQCI 1, AQCI 2, AQC Services, Area Coal, Felix St and Mining Investments One
Dartbrook DOCA Group	Dartbrook Entities and Tetra Entities
Dartbrook Entities	AQC Dartbrook and AQC Dartbrook Management
Dartbrook JV	Unincorporated joint venture between AQC Dartbrook (80%) and Tetra Dartbrook Pty Ltd (20%)
Dartbrook Mine	The Dartbrook underground coal mine located near Muswellbrook in New South Wales
Deed Administrators	Shaun Fraser and Jonathan Henry of McGrathNicol in their capacity as joint and several deed administrators

Term	Definition
Directors	The Directors of the Companies
DIRRI	Declaration of Independence, Relevant Relationships and Indemnities
DOCA	Deed of Company Arrangement
ERV	Estimated Realisable Value
Felix St	Felix St Pty Ltd (Administrators Appointed) ACN 138 950 991
First Meetings of Creditors	First statutory meeting of creditors of the Companies held on 3 September 2026 in accordance with section 436E of the Act
FY	Financial year
IPOH	IPOH Pacific Resources Pty Ltd
IPR	Insolvency Practice Rules (Corporations) 2016
IPR Operations	IPR Operations Pty Ltd
JV	Joint Venture
M Resources	M Resources Trading Pty Ltd
Mining Investments One	Mining Investments One Pty Ltd (Administrators Appointed) ACN 123 222 266
PP&E	Property, plant and equipment
PPSR	Personal Property Securities Register
Receivers or Receivers and Managers	Ben Campbell and David McGrath of FTI Consulting
Relation back period	Six months prior to the date of appointment, 24 August 2026, therefore the period from 24 February 2026
Report	This report dated 21 September 2026
ROCAP	Report on Company Activities and Property
Second Meetings of Creditors	Second statutory meeting of creditors of the Companies convened for Monday, 28 September 2026 in accordance with section 439A of the Act
Tetra Entities	Below companies in external administration within the Dartbrook JV, comprising: Tetra Dartbrook Pty Ltd ACN 658 320 471 Dartbrook Operations Pty Ltd ACN 664 671 318 Dartbrook Assets Pty Ltd ACN 665 337 397 Dartbrook Commercial Pty Ltd ACN 665 337 413 Dartbrook Services Pty Ltd ACN 010 301 309 (All Subject to Deed of Company Arrangement) (All Receivers and Managers Appointed)
Trepang	Trepang Services Pty Ltd
VA or Administration	Voluntary Administration

Term	Definition
Vitol	Global Loan Agency Services Australia Specialist Activities Pty Limited as the security trustee in favour of Vitol - the Senior Secured lender to the Dartbrook JV with security over certain assets of AQC and AQCI 2
ZKR	ZKR Holdings Limited, a company incorporated in the United Kingdom

1 Executive summary

This section aims to provide answers to key questions in relation to the Administration, the Administrators' findings and the contents of this Report.

1.1 Key questions and answers

Question	Answer
Why am I receiving this Report?	Shaun Fraser and Jonathan Henry were appointed Voluntary Administrators of the Companies on 24 August 2026. The books and records of the Companies indicate that you may have a claim against one or more of the Companies.
What is the purpose of this Report?	This Report provides creditors with information about the business, property, affairs and financial circumstances of the Companies in preparation for the Second Meetings of Creditors. This Report also informs creditors about the investigations undertaken by the Administrators to date, and the Administrators' opinion and recommendation regarding each of the options available to creditors to vote on at the Second Meetings of Creditors.
What happens at the Second Meeting of Creditors?	At the Second Meetings of Creditors, creditors decide the future of the Companies. The options available for creditors to vote on are whether the Companies: ▪ enter into a Deed of Company Arrangement (**DOCA**) (if one is proposed); ▪ should be returned to the control of the Directors; or ▪ enter into liquidation.
Where and when is the Second Meeting of Creditors?	The Second Meetings of Creditors of the Companies have been convened to be held on **Monday, 28 September 2026 at 2:00PM (AEST**). The meeting will be hosted virtually using online video conferencing on Microsoft teams. The online video conferencing can be joined from a computer/tablet/smart phone (preferred) or telephone.
What do I need to do if I want to attend the meeting?	Creditors wishing to vote at the meeting must submit a correctly completed Proof of Debt (**POD**) by **4:00PM (AEST)** on **Friday, 25 September 2026** to aqcentities@mcgrathnicol.com. Creditors who have already lodged a POD with the Administrators **do not** need to complete a new form. Employees of AQC **do not** need to lodge a POD to attend. We will accept your claim based on AQC's records, for the purposes of voting at the meeting. Creditors and employees can either attend by video conference or appoint a proxy to attend on their behalf. Creditors and employees who intend to appoint another person to attend and act on their behalf at the meeting, or are a corporate creditor, please complete and return the proxy form no later than **4:00PM (AEST)** on **Friday, 25 September 2026** to aqcentities@mcgrathnicol.com. Creditors (or their proxies) planning on attending the Second Meetings of Creditors should register their intention to do so with Marco Micalizzi at aqcentities@mcgrathnicol.com by **4:00PM (AEST)** on **Friday, 25 September 2026** and you will be provided with a link to join. Creditors who have not registered, or have not provided the required documents by Friday, 25 September 2026, may not be able to attend and/or vote at the meeting.

	Observers may attend the meeting but cannot vote or participate in the meeting. Observers should register their intention to attend following the process set out above.
What is a DOCA?	A DOCA is a binding arrangement between a company and its creditors on how the company's affairs will be dealt with. Entering a DOCA is one of the options available for creditors to vote on (if a DOCA is proposed) at the conclusion of a voluntary administration.
Has a DOCA been proposed and, if so, what does it involve?	On 16 September 2026, the Administrators received a draft proposal from the Directors of AQC. The proposal received is not in a form to be put to creditors or to be recommended by the Administrators. Apart from the draft proposal, no other DOCA proposals have been received.
Which option do the Administrators recommend creditors vote for at the Second Meeting of Creditors and why?	The Administrators intend to convene the Second Meetings of Creditors, provide creditors with a brief update of the Administration and then adjourn the meetings for a period not exceeding 45 business days to provide more time for a DOCA proposal to be received and assessed by the Administrators. The intention is to reconvene the meetings as soon as reasonably practicable. The Administrators will issue a supplementary report to creditors on their opinion and recommendations prior to the reconvened meetings. This is in the best interest of creditors of the Companies.
What did the Companies do?	The Companies formed part of the broader AQC Group, which historically acquired, explored and developed mineral resource projects. In recent years, the broader AQC Group's focus was the redevelopment and recommencement of underground coal mining operations at the Dartbrook Mine near Muswellbrook, New South Wales. The Companies do not directly own the Dartbrook Mine and did not operate it on a day-to-day basis. Their roles primarily comprised corporate and administrative functions, holding investments in subsidiaries and holding interests in mineral exploration assets. Most of the Companies were dormant or passive investment-holding entities. AQC was the ASX-listed parent company and employing entity, and Mining Investments One held minority interests in two Queensland coal exploration tenements.
What were the key events leading to the appointment of Administrators?	The key events leading to the appointment of Administrators include: ▪ In 2016, the AQC Group acquired the Dartbrook Mine with the intention of recommencing mining operations. From January 2024, substantial debt and equity funding was raised from Vitol to support the restart of the mine. ▪ Following operational and financial challenges in respect of the Dartbrook Mine, Vitol appointed Receivers over the Dartbrook Mine, including amongst others, specific assets of AQC and AQCI 2 on 3 July 2025. AQC subsequently participated in the Receivers' sale process of the Dartbrook Mine and submitted several recapitalisation proposals, which were unsuccessful. ▪ In July 2025, M Resources issued a statutory demand against AQC for approximately $1.1 million. On 18 August 2026, the Queensland Court of Appeal overturned the earlier decision setting aside that demand. ▪ After attempts to defer or commercially resolve the amount claimed by M Resources were unsuccessful, the Directors formed the view that the Companies were insolvent or likely to become insolvent and appointed Shaun Fraser and Jonathan Henry as Voluntary Administrators on 24 August 2026. A more detailed timeline of key events is set out in section 4.2 of this Report.

What do the Directors of the Companies attribute the failure of the business to?	The Directors attribute the Companies' failure to: ▪ the Queensland Court of Appeal overturning the order that had set aside M Resources' $1.1 million statutory demand claim against AQC; ▪ the subsequent inability to negotiate an acceptable deferral or commercial resolution of M Resources' claim; and ▪ the Companies resulting inability to meet their obligations as and when they fall due.
Why do the Administrators believe the Companies failed?	The Administrators do not dispute the Directors reasons for the Companies' failure but make the following observations below: ▪ Following the external administration of the Dartbrook DOCA Group and the appointment of Receivers over certain assets of AQC and AQCI 2 in July 2025, the AQC Group lost control of its primary asset and operations, being its interest in the Dartbrook JV. As a result, the Companies no longer had access to operational income or funding support. ▪ Given the Companies are predominately investment-holding or dormant entities and do not generate trading income or have an independent revenue stream, the Companies were reliant on external funding or equity capital. Given the appointment of Receivers to AQC's primary asset, the Dartbrook Mine, the suspension of AQC's shares since 1 October 2025 and uncertainty as to the Companies' ability to continue to operate as a going concern since 3 July 2025, AQC has operated with finite and declining cash. ▪ Directors and the Companies appear to have been engaging with the Receivers as a potential acquirer of the Dartbrook Mine, although the Companies proposals were not acceptable by the Dartbrook Mine Receivers. ▪ AQC had significant guarantee exposure for the secured creditor loan provided by Vitol as it provided a parent company guarantee. Although AQC had an understanding with the secured creditor that the guarantee would not be called upon, this debt could have been called on at any time.
What actions have the Administrators taken to date?	Following the appointments, the Administrators and their staff have undertaken the following key actions: ▪ secured control of the Companies' available books, records and bank accounts; ▪ ceased AQC's limited operations; ▪ terminated the employees of AQC and calculated the employee entitlements; ▪ engaged with the Directors, CFO and other key stakeholders to understand the Companies' affairs and financial position; ▪ reviewed the Companies' financial position, assets, liabilities and creditor claims, and commenced preliminary investigations into potential recovery actions; ▪ attended to all statutory and procedural obligations required under the Corporations Act 2001 (Cth) (**the Act**), including ASIC notifications and creditor communications; ▪ convened and held the first meetings of creditors on 3 September 2026; ▪ undertaken preliminary high-level investigations into the Companies' structure, assets, liabilities and guarantees, noting their non-trading and asset-holding nature; ▪ engaged with the Directors regarding a potential DOCA; and

	▪ prepared this Report to creditors.
What is the Receivers role in AQC and AQCI 2?	Vitol appointed Ben Campbell and David McGrath of FTI Consulting as Receivers over certain assets of AQC and AQCI 2 on 3 July 2025. The Receivers have assumed control of the following assets: ▪ the share application bank account of AQC; and ▪ shares held by AQCI 2 in the Dartbrook Entities. The above appointment relates to the wider receivership of the entities related to the Dartbrook JV. The Receivers are currently running a sale process for the Dartbrook Mine. These entities are not subject to this Report.
What investigations have been undertaken?	The Administrators have conducted preliminary investigations in relation to the Companies and the conduct of the Directors, including considering whether there may be any amounts that could be recovered in a liquidation. Details of those investigations are set out in section 9 of this Report. However, further investigations will be required if the Companies are wound up, including a commercial assessment of the merits and likelihood of recovery from pursuing any claim.
What is the potential date of insolvency?	The Administrators preliminary investigations indicate that the Companies became insolvent from at least November 2025, and potentially earlier around July 2025. Further details are set out in section 9.5 of this Report. A liquidator, if appointed, would undertake additional work to confirm more precisely the date that the Companies became insolvent.
What claims have the Administrators identified that may be available to a liquidator?	Based on the Administrators' preliminary investigations, there maybe insolvent trading claims, voidable transaction claims, breach of directors duties or other similar recoveries that would be available to a liquidator for the benefit of creditors. Further details are set out in section 9 of this Report. A liquidator, if appointed, would conduct further investigations.
Where can I get more information?	Creditors who require further information should refer to the McGrathNicol website https://www.mcgrathnicol.com/creditors/aqc-entities or email Marco Micalizzi at aqcentities@mcgrathnicol.com.

2 Introduction

This section outlines the statutory details regarding the Administrators' appointment, the details of the First and Second Meetings of Creditors, and the purpose and content of this Report.

2.1 Appointment

2.1.1 Appointment subject to this report

The Administrators were appointed Joint and Several Voluntary Administrators of the Companies on 24 August 2026 by the Directors pursuant to section 436A of the *Corporations Act 2001 (Cth)* (**the Act**). This appointment represents the third tranche of external administration appointments involving entities within the broader AQC Group.

2.1.2 Prior appointments

We were previously appointed as Administrators of the Dartbrook Entities, wholly owned subsidiaries of AQCI 2, on 4 July 2025 (**Initial Appointment**).

At the meeting of creditors of the Dartbrook Entities held on 27 February 2026, creditors approved the execution of a DOCA and we were appointed as Deed Administrators of these entities. We were also appointed Deed Administrators on 27 February 2026 of the Tetra Entities which were involved in the operation of the Dartbrook Mine (**collectively, Dartbrook DOCA Group**).

The Dartbrook Entities and Tetra Entities also remain subject to receivership where David McGrath and Benjamin Campbell of FTI Consulting were appointed Receivers and Managers on 3 July 2025.

On the same date, David McGrath and Benjamin Campbell of FTI Consulting were also appointed over certain assets of AQC (a specific bank account) and AQCI 2 (the shares by AQCI 2 in the Dartbrook Entities), these companies are subject to this Report and appointment.

The DOCA of the Dartbrook DOCA Group was recently extended until 27 November 2026 to allow further time for the Dartbrook Mine sale to be progressed by the Receivers.

2.1.3 Objective of administration

In an administration, administrators are granted authority by the Act to take control of an insolvent company, or a company at risk of becoming insolvent. During an administration, the company's directors powers are suspended and the Administrators are empowered under the Act to manage its affairs and deal with its assets for the benefit of creditors.

The objective of a voluntary administration is to maximise the prospects of a company continuing in existence (in whole or in part) or, if that is not possible, to achieve a better return to creditors than would be achieved by the immediate liquidation of the company. During an administration, there is a moratorium (i.e. a freeze) over most pre-administration creditor claims.

Administrators are required to investigate the company's affairs and report to creditors with their opinion as to which outcome of the administration process is in the creditors' best interests.

This report aims to inform and assist creditors before they vote at the second meeting of creditors for the Companies to be held virtually via Microsoft Teams on **Monday, 28 September 2026** at **2:00PM (AEST)**.

2.1.4 First Meetings of Creditors

Section 436E of the Act requires the Administrators to convene a first meeting of creditors within eight business days of being appointed.

The first meetings of creditors for each of the Companies was held concurrently on 3 September 2026 (**First Meetings of Creditors**).

The minutes of the First Meetings of Creditors were lodged with the Australian Securities and Investments Commission (**ASIC**) on 16 September 2026, and creditors may obtain a copy from ASIC, the McGrathNicol website or by contacting this office.

No resolutions were proposed or carried at the First Meetings.

2.2 Second Meetings of Creditors

The Administrators must convene a second meeting of creditors within 20 business days (or 25 business days in certain circumstances) of being appointed pursuant to section 439A of the Act. This is referred to as the "convening period". The second meetings of creditors are to be held within 5 business days before or after the end of the convening period. Five business days' notice must be given to creditors ahead of the meetings being held.

The second meetings of creditors for the Companies (**Second Meetings of Creditors**) have been convened to be held virtually via Microsoft Teams on **Monday, 28 September 2026** at **2:00PM (AEST)**.

The official notice of meeting (Form 529A) is appended to the Circular to Creditors, together with this Report, Form 535 "Formal Proof of Debt" (**POD**) and Form 532 "Appointment of Proxy". An information sheet "General information for Attending and Voting at Meetings of Creditors" has also been provided.

Creditors who have already lodged a POD do not need to complete a new POD.

The proxy forms lodged by creditors for the First Meetings of Creditors cannot be used for the Second Meetings of Creditors. Accordingly, creditors who are unable to attend the second meeting and wish to be represented should ensure that a proxy form, power of attorney or evidence of appointment of a company representative is completed.

To participate in the Second Meetings of Creditors, completed PODs and proxy forms must be submitted to the Administrators' office by email at aqcentities@mcgrathnicol.com by **4:00PM (AEST)** on **Friday, 25 September 2026**.

Minutes of the Second Meetings of Creditors will be lodged with ASIC within ten business days of the meeting.

The purpose of the Second Meetings of Creditors is for creditors to:

- decide on the future of the Companies, with the options available to creditors being whether the company should:
  - be returned to the control of the Directors;
  - enter into a DOCA; or
  - enter into liquidation.
- consider and, if thought fit, approve the remuneration of the Administrators;
- if creditors resolve that any of the Companies should enter into a DOCA:
  - consider and, if thought fit, approve the future remuneration of the deed administrators; and
  - consider the appointment of a COI (for the purposes of a DOCA).
- if creditors resolve that any of the Companies should enter liquidation:
  - consider and, if thought fit, approve the liquidators' future remuneration;
  - consider the appointment of a COI (for the purposes of a liquidation);
  - consider authorising the liquidators to compromise debts of the Companies pursuant to section 477(2A) of the Act; and
  - consider authorising the liquidators to enter into agreements that may take longer than three months to complete under section 477(2B) of the Act.

The Administrators may adjourn the Second Meetings of Creditors for a period not exceeding 45 business days, with the intention of reconvening as soon as reasonably practicable.

The Administrators intend to convene the Second Meetings of Creditors, provide creditors with a brief update of the Administration and then adjourn the meeting for a period not exceeding 45 business days to provide more time for a DOCA to be put forward and considered by the Administrators. The intention is to reconvene the meetings as soon as reasonably practicable.

2.2.1 Committee of Inspection

If creditors resolve that the Companies enter into a DOCA or be wound up, the Act provides that a COI may be formed. An information sheet about committees of inspection is available from the ARITA website (www.arita.com.au) and is included as an appendix to this Report.

If appointed, a COI would provide the deed administrators or liquidators with a sounding board in relation to creditors' views on any contentious issues and may approve certain matters (for example compromises of claims and the deed administrators'/liquidators' remuneration).

At the Second Meetings of Creditors, if any of the Companies enter into a DOCA or is placed in liquidation, creditors will be invited to consider whether a COI should be formed, and, if so, which creditors should be on the committee.

It is our opinion that a COI is not required for the Companies for the following reasons:

- The businesses of the Companies have ceased and the assets that are not already subject to control by the Receivers, are immaterial. Therefore, the Companies are effectively dormant;
- There are limited number of creditors;
- There are limited funds; and
- The administrative efforts to convene a creditors meeting will be the same as a COI meeting.

However, ultimately it is for creditors to decide if they would like to form a COI should the Companies enter into a DOCA or liquidation.

2.3 Purpose of this Report

Section 75-225 of the *Insolvency Practice Rules (Corporations) 2016* (**IPR**) requires an administrator to provide a report to creditors ahead of the second meeting of creditors in an administration, containing:

- details about the business, property, affairs and financial circumstances of the entity under administration;
- if a DOCA is proposed, details about the DOCA;
- details regarding the investigations undertaken by the administrator; and
- the administrator's opinion about each of the options available to creditors, and the course of action the administrator recommends is in creditors' best interests.

The purpose of this report is to therefore provide creditors with these details in preparation for the upcoming Second Meetings of Creditors.

2.4 Limitations of this Report

This Report and the statements within are based on the Administrators' preliminary investigations of the Companies affairs. The investigations have been undertaken from available books and records, as well as information provided by the Companies' officers including its management, employees, where applicable, and from the Administrators' own enquiries.

The statements and opinions in this Report are given in good faith and, while the Administrators have no reason to doubt any information contained in this Report, the Administrators reserve the right to alter their conclusions if the underlying information proves to be inaccurate or materially changes after the date of this Report.

If the Administrators become aware of new information after issuing this Report that could help creditors decide how to vote at the Second Meetings, the Administrators may include this information in a further report or present it at the Second Meetings.

In considering the options available to creditors and formulating their recommendations to creditors, the Administrators have necessarily made forecasts of asset realisations and the total value of creditors. These forecasts and estimates may change as asset realisations progress and claims are received from creditors and are adjudicated. While the forecasts and estimates are the result of the Administrators' best assessment in the circumstances, creditors should note that the ultimate outcome for creditors may differ from the information provided in this Report.

The assessment of potential claims in this Report has been performed on a preliminary basis, based on information available to the Administrators at the time of completion of this Report. As a consequence, the Administrators reserve their rights to alter their assessment if further relevant information is provided after the date of this Report or as a consequence of further investigations.

3 Administrators' prior involvement

This section provides creditors with details regarding any involvement the Administrators had with the Companies prior to our appointment as Administrators. The section also outlines any indemnities and/or upfront payments the Administrators received in connection with our appointment.

3.1 Declaration of Independence, Relevant Relationships and Indemnities

In accordance with section 436DA of the Act and the Australian Restructuring, Insolvency and Turnaround Association (**ARITA**) Code of Professional Practice, a Declaration of Independence, Relevant Relationships and Indemnities (**DIRRI**) was appended to the Administrators' first communication to creditors and tabled at the First Meeting. The DIRRI is available on the McGrathNicol website at https://www.mcgrathnicol.com/creditors/aqc-entities.

The DIRRI discloses information regarding the Administrators' independence, prior personal or professional relationships with the Companies, or related parties and any indemnities received in relation to our appointment.

The referral of the appointment was made by the CFO of AQC. This is the third tranche of groups of companies with the broader AQC Group that have been placed into administration over the period 4 July 2025 to 24 August 2026.

As detailed in our DIRRI, the referral of the Initial Appointment was made on 4 July 2025, following an approach to McGrathNicol by the CFO of AQC. On 4 July 2025, the CFO on behalf of the Companies' directors, contacted Graham Newton, a partner in McGrathNicol who specialises in forensic accounting. Mr Newton was known to the CFO of AQC from a prior engagement undertaken for AQC. Mr Newton introduced the CFO to Shaun Fraser to discuss the financial position of the Dartbrook Entities, leading to the Initial Appointment being made. The DIRRI records that the prior Forensic work was a limited scope, point in time factual policy review that would not be subject to any review in the course of the voluntary administrations.

AQC have provided an upfront payment of $260,000 into the McGrathNicol trust account for the current appointment. The funds are being provided on account of the Administrators' costs and expenses in undertaking the appointments. The provision of the funding is not subject to any condition on the conduct of the voluntary administration.

Pursuant to the Act and the ARITA Code, if circumstances change or new information is identified, the Administrators are required to update the DIRRI and provide it to creditors with their next communication, and table a copy of the replacement DIRRI at the next meeting of creditors.

Whilst we see no need to update the DIRRI, we would like to address the minutes of the AQC board of directors meeting held on 5 February 2026 that included an update from John Robinson (a director of AQC) to the board that suggests Shaun Fraser of McGrathNicol had expressed a view that AQC remained solvent. The Administrators dispute this recollection of events as McGrathNicol was never engaged and did not provide any assessment of AQC's or the Companies' solvency prior to the Administrators' appointment. Furthermore, no remuneration was received by McGrathNicol in connection with the discussion.

The Administrators remain of the view that our prior professional interactions as outlined in the DIRRI do not create or give rise to any conflict of interest.

4 Background and statutory information

This section provides creditors with details regarding the circumstances leading to the Administrators' Appointment to the Companies, together with statutory details regarding the Company, its Directors, shareholders and other statutory information.

4.1 Background

4.1.1 Primary activities

The Companies form part of the AQC Group and include the ASX-listed head company, AQC. The AQC Group historically focused on acquiring, exploring and developing mineral resource projects, with its activities in recent years concentrated primarily on the redevelopment and recommencement of underground coal mining operations at the Dartbrook Mine located approximately 10 kilometres north-west of Muswellbrook in the Hunter Valley region of New South Wales.

The Dartbrook Mine was acquired by the AQC Group in 2016 with the intention of recommencing operations after it was placed into care and maintenance by its previous owner in 2006.

The Dartbrook Mine was operated through an unincorporated joint venture between AQC Dartbrook (80% interest) and Tetra Dartbrook Pty Ltd (20% interest), an unrelated entity to the AQC Group.

The Companies subject to this Report did not undertake the day-to-day operation of the Dartbrook Mine or hold the direct interest in the Dartbrook JV. However, their financial position was closely connected to the project through the AQC Group's ownership structure, investments and financing arrangements.

4.1.2 Previous external administration of the Dartbrook Mine and status of process

Following the recommencement of the Dartbrook mining activities in 2024, the Dartbrook DOCA Group entities and broader AQC Group encountered financial and operational challenges and the Dartbrook Entities entered external administration in July 2025. Following the appointment of external administrators to the Tetra Entities in July 2025, Vitol enforced its security and appointed the Receivers and Managers over the Dartbrook Mine assets, including the 80% JV interest held by subsidiaries of AQC.

The Dartbrook Mine is currently subject to a sale by the Receivers and Managers. Since their appointment, the Receivers have been responsible for the operational, financial and strategic management of the Dartbrook Mine and associated assets, including progressing a potential sale or recapitalisation outcome.

The Receivers' appointment extends to an applications bank account held by AQC with a current balance of approximately $265k and the shares held by AQCI 2 in its two subsidiaries that hold the 80% JV interest in the Dartbrook Mine.

The Receivers proposed a holding DOCA for the Dartbrook DOCA Group entities, which was approved by creditors and entered into for an initial period of six months, expiring on 27 August 2026 to allow the Receivers additional time to progress the sale and/or recapitalisation process for the Dartbrook Mine.

The holding DOCA was recently extended for a further three months, from 27 August 2026 to 27 November 2026, to allow further time for the sale and/or recapitalisation process to be progressed.

The specific receivership appointments over AQC and AQCI 2 are expected to remain in place until there is an outcome with respect to the Dartbrook Mine sale and/or recapitalisation process.

Since the external administration of the Dartbrook Mine related entities, the AQC Group has been participating in the sale process being undertaken by the Receivers, and it has submitted multiple recapitalisation proposals to the Receivers and Vitol (as secured creditor) in relation to the Dartbrook Mine. These proposals were not acceptable to the Receivers and secured creditor.

4.1.3 Other interests held by the AQC Group

In addition to the Dartbrook Mine, the AQC Group also held interests in mineral exploration and development assets in Queensland as follows:

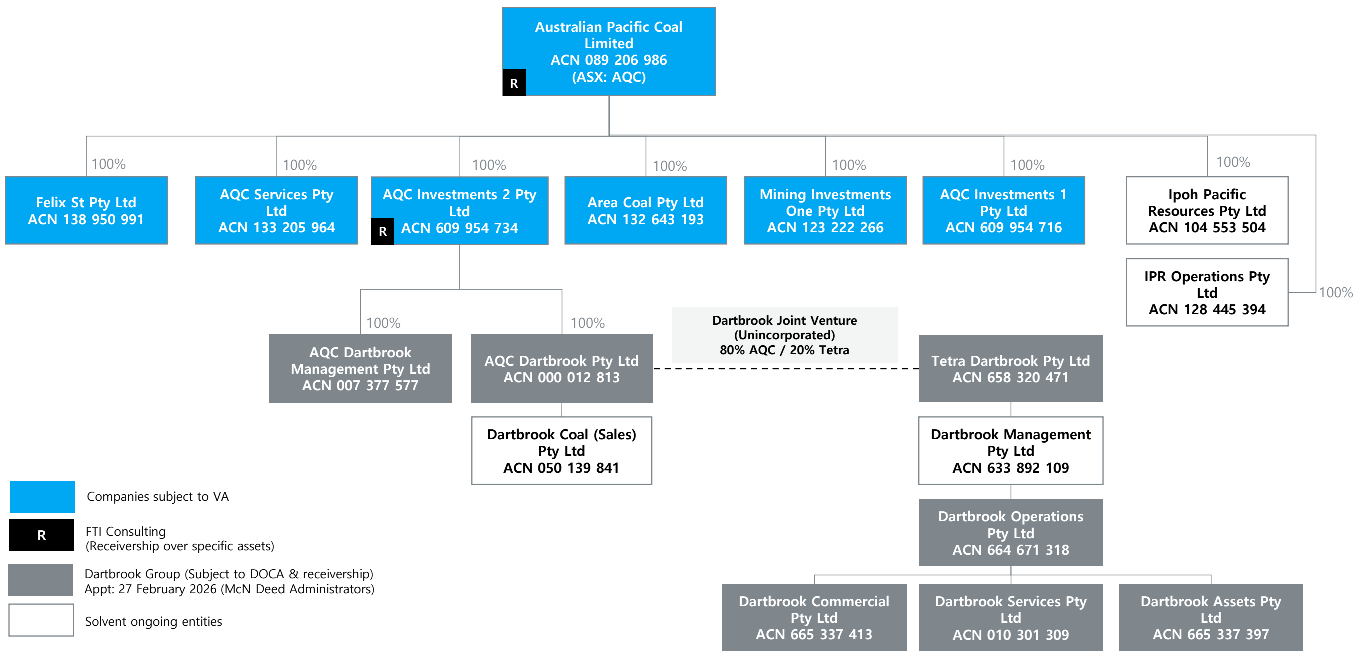
- **Bentonite Project** - AQC (via its wholly owned solvent subsidiary, IPOH) holds 100% interest in the Matuan Downs Bentonite Project near Alpha, Queensland. The project principally comprises the bentonite mining lease. No mining activities have been undertaken on the Bentonite project to date. The Directors remain in control of IPOH and we will work with them regarding any realisations from the interest.

- **Other interests** - Mining Investments One, one of the Companies subject to this Report, holds a 10% interest in each of the Bungaban Creek tenement (EPC 1955) and the Quondong tenement (EPC 1987), located near Miles, Queensland. Mining Investments One acquired the relevant exploration permit rights in 2009 and subsequently transferred a 90% interest to Blackwood Resources as part of a joint venture arrangement established in 2010. We are liaising with the JV party to understand the status of the holdings.

4.1.4 Corporate structure

An overview of the corporate structure of the AQC Group and entities related to the Dartbrook JV at the Appointment Date is set out below:

Figure 1: Corporate structure overview



We provide further context of each of the companies (including Companies subject of this Report) below:

Table 1: List of AQC Group entities

Entity	Background and primary purpose	Principal assets held
Companies (All Administrators Appointed and subject of this Report)		
AQC	▪ ASX-listed (ASX:AQC) holding company for the broader AQC Group. ▪ It provided all corporate and overhead functions and employing entity. ▪ Employed two staff members who were terminated on the Appointment Date.	Investment in subsidiaries
AQCI 1	▪ Dormant company. Established as investment holding company.	None
AQCI 2	▪ Investment holding company in the Dartbrook Entities, which owns majority stake (80%) in the Dartbrook Mine. ▪ Receivers were appointed over the shares that this entity holds in July 2025.	Investment in subsidiaries

Entity	Background and primary purpose	Principal assets held
AQC Services	▪ Dormant company. Established as corporate services company.	None
Area Coal	▪ Dormant company. Established to undertake explorative research for mining assets.	None
Felix St	▪ Dormant company. Established as corporate services company.	None
Mining Investments One	▪ Held interest in two coal mining tenements.	10% interest in Bungaban Creek tenement (EPC 1955) and the Quondong tenement (EPC 1987), located near Miles, Queensland
Dartbrook DOCA Group (Subject to DOCA and receivership) – not subject to this appointment		
Dartbrook Entities Tetra Entities	▪ Entities relating to the Dartbrook JV. The relevant entities are in receivership and DOCA and subject to the ongoing receivership sale process. ▪ The Tetra Entities are not related parties to the AQC Group, however they have been disclosed to explain the Dartbrook JV.	The Dartbrook Entities hold an 80% interest in Dartbrook Mine
Solvent Ongoing Entities – not subject to this appointment		
IPOH IPR Operations	▪ IPOH holds an interest in the Matuan Downs Bentonite Project, which remains in control of the directors. ▪ Any recovery from the interest, is expected to be available to the Companies.	100% interest in Matuan Downs Bentonite project
Dartbrook Coal (Sales) Pty Ltd Dartbrook Management Pty Ltd	▪ Dormant companies previously involved with the Dartbrook Mine.	None

4.2 Timeline of key events

Below is a timeline of key events leading to the appointment of the Administrators.

Table 2: Timeline of key events

Date	Event
December 1999	AQC listed on the ASX.
October – November 2009	AQC (via Mining Investments One) acquired the exploration permit rights to the Bungaban Creek (EPC 1955) and Quondong (EPC 1987) coal tenements.
Second half of 2010	Mining Investments One entered into JV with Blackwood Resources relating to the Bungaban Creek (EPC 1955) and Quondong (EPC 1987) coal tenements. It sold 90% of its interest in the tenements to Blackwood Resources.
2016	AQC (via AQC Dartbrook) acquired the Dartbrook Mine with intention to revive operations. At the time of the sale of the Dartbrook Mine, the mine was part owned by Marubeni Coal.

Date	Event
January 2024 – June 2025	Dartbrook JV secured and progressively increased funding from Vitol and other sources to support the restart of the Dartbrook Mine, including upsizing the senior secured facility and obtaining additional mezzanine, shareholder and project funding.
February 2025	ZKR, a company incorporated in the United Kingdom, issued a Court application seeking orders that included AQC paying it USD$1.8m and entering into a contract to grant ZKR a 0.5% life of mine royalty on all coal sales made by AQC under a coal supply and marketing agreement between AQC and Vitol. Further details on this litigation are set out in section 8.3 of this Report.
2 July 2025	M Resources issued statutory demand against AQC for payments under a technical services advisory agreement totalling $1.1m.
3 July 2025	Ben Campbell and David McGrath of FTI appointed as Receivers over specific assets of AQC and AQCI 2.
4 July 2025	Quotation of AQC shares were voluntarily suspended by the company under Listing Rule 17.2.
7 July 2025	Quotation of AQC shares was reinstated following an announcement in which the Directors advised that they considered the company solvent at the time.
1 October 2025	Quotation of AQC shares was suspended by the ASX under Listing Rule 17.5 for failure to comply with periodic reporting requirements.
28 October 2025	The Supreme Court of Queensland (**QLD Supreme Court**) ordered that the statutory demand by M Resources be set aside. M Resources appealed that decision to the Queensland Court of Appeal.
Late 2025 to June 2026	AQC participated in the Receivers’ sale process for the Dartbrook Mine and submitted multiple recapitalisation proposals.
18 August 2026	The Queensland Court of Appeal overturned the QLD Supreme Court’s October 2025 judgement and held that AQC had not established a genuine dispute on M Resources statutory demand.
24 August 2026	Shaun Fraser and Jonathan Henry of McGrathNicol were appointed as Voluntary Administrators of the Companies by the Directors.

Source: Press releases, Administrators knowledge of the Dartbrook Entities through their appointments to those entities

4.3 Statutory details

4.3.1 Statutory details

Appendix B contains the statutory details (incorporation details, description of company activities, directors and officers, and shareholders) for each of the Companies as at the Appointment Date (unless otherwise stated).

4.3.2 Security interests

A search of the Personal Property Securities Register (**PPSR**) on the Appointment Date revealed a total of eight registered security interests against AQC and AQCI 2 as summarised in the table below. The remaining Companies do not have any security interest registered against them.

Table 3: Summary of PPS registrations

PPSR summary at appointment						
Entity	**ALL PAP with Exception**	**Account**	**Motor Vehicle**	**General Intangible**	**Other Goods**	**Total**
Australian Pacific Coal Limited	-	2	1	1	2	6
AQC Investments 2 Pty Ltd	2	-	-	-	-	2
Total	**2**	**2**	**1**	**1**	**2**	**8**

Source: PPSR searches

The Administrators have written to all parties which held PPS registrations against the Companies and are in the process of reviewing the claims as the relevant documentation and information in relation to their security is received

Further details of the registered security interests are available to creditors upon request.

5 Administrators' actions to date

This section provides details of the activities undertaken by the Administrators throughout the course of the administration.

5.1 Administration Strategy

Prior to the Administrators' appointment, the primary asset of the broader AQC Group, being the Dartbrook Mine (including the Companies), is under the control of the Receivers and Managers and subject to an ongoing sale process.

Immediately upon the Administrators appointment and their understanding of the Companies' financial position, it was evident that the Administrators did not have the balance sheet standing or liquidity to maintain the limited operational requirement of the Companies.

As such, upon the Administrators appointment, AQC's limited operations were immediately ceased and two employees made redundant. The remaining Companies are either dormant or investment-holding entities with no operations. Accordingly, the Administrators have not undertaken any trading, asset realisation or sale activities during the administration.

The Administrators' role has therefore been largely confined to meeting their statutory obligations under the Act, convening the first meeting of creditors and verifying ownership of equipment/investment held by AQC and Mining Investments One respectively.

5.2 Statutory obligations, administration and other

During the Administration, we have undertaken the following statutory, administration and other tasks.

5.2.1 Statutory, legal, insurance and administration

- Notified major financial institutions of the appointments and established control of the Companies.
- Corresponded with banks regarding statements and account matters and established Administrators' bank accounts for the Companies.
- Informed ASIC, the ATO and state revenue offices in NSW and Queensland, of the appointment and attended to various statutory lodgements.
- Held discussions with the CFO and senior employee of AQC to understand the background, operating structure and financial position of the Companies.
- Issued requests to the Directors to complete a ROCAP and deliver the books and records of the Companies to the Administrators.
- Granted extension of time for the Directors to complete their ROCAP for each of the Companies.
- Reviewed the ROCAPs for each of the entities within the Companies received from the Directors and lodged the respective ROCAPs with ASIC.
- Liaised with the CFO and external managed service provider and IT support company to secure the Companies' books and records.
- Secured the Companies' electronic accounting records.
- Undertook an initial review of the books and records including preliminary investigations to ascertain the Companies' financial position, director conduct and any transactions that may be recoverable by a liquidator.
- Assessed the Companies' asset position, including verifying the existence and ownership of Mining Investments One's investment in the mining tenements and AQC's equipment.
- Reviewed pre-appointment insurance cover and worked with brokers to ensure appropriate coverage.
- Prepared and lodged the ASX announcement regarding the appointment of the Administrators.
- Attended to other general and statutory requirements.

5.2.2 Wind-down operations

- Notified suppliers of the appointment.
- Issued termination letter to the landlord of AQC's leased office premises and organised the removal of records and laptops from the office premises.
- Arranged valuation of the office equipment and assets held at the leased premises.
- Issued termination letters to the utility and data service providers for the leased office premises.

5.2.3 Employees

- Issued termination letters to AQC's employees on Appointment Date.
- Briefed employees of their rights as priority creditors of AQC.
- Liaised with the Department of Home Affairs regarding employees.
- Reviewed employee contracts to understand employment details and calculate entitlements.
- Considered the pre-appointment employee entitlements position.
- Corresponded with employees on their queries.

5.2.4 Creditors

- Reviewed the Companies' records to identify potential creditors.
- Issued notices of appointment and initial circular to creditors convening the First Meetings of Creditors held on 3 September 2026.
- Prepared for and held the First Meetings of Creditors.
- Prepared and lodged the minutes of the First Meetings of Creditors with ASIC.
- Prepared the Administrators Report (i.e. this Report) pursuant to Section 75-225 of the IPR and prepared for the convening of the Second Meetings of Creditors.
- Reviewed the books and records of the Companies and PODs received to estimate the value of creditor claims.
- Corresponded with PPSR security interest holders identified from searches of the PPSR.
- Corresponded with creditor on their queries and information requests.
- Liaised with legal representatives of creditors regarding ongoing legal actions and arranged for matters to be stayed.
- Updated the McGrathNicol website for documents regarding the Administration and general information about the administration process.

5.2.5 DOCA

- Held meetings with the Directors to understand their intention with respect to any DOCA proposal.
- Provided feedback on a proposal provided by the Directors.

6 Recent financial information

This section sets out historical financial information for the Companies and provides comments about the key drivers of the reported results.

6.1 Background

The financial accounts of the Companies have historically been prepared with a 30 June financial year end. As at the Appointment Date, the Companies had the following financial information available:

- audited financial statements for FY24 and FY25 for the consolidated AQC Group;
- unaudited management accounts for FY25 for each individual entity; and
- unaudited management accounts for FY26 for the consolidated AQC Group and by individual entity.

Given the main purpose and asset of the AQC Group was the interest in the Dartbrook JV, in this section we present the consolidated financial accounts for the AQC Group for FY24 to FY26. The consolidated financial accounts include the following entities:

- the Dartbrook Entities currently subject to DOCA and receivership which hold the 80% share in the Dartbrook Mine. We note that no transactions relating to the Receiver's trading are included in the financials presented;
- IPOH and IPR Operations which are not subject to external administration; and
- All remaining entities in the AQC Group, including the Companies.

The financial information referred to in this section is based on records provided to the Administrators by management and information obtained from the Companies' accounting systems. The Administrators have not audited this information and, accordingly, do not express an opinion as to its accuracy or completeness.

As detailed above, the financial information includes the interest in the Dartbrook JV structure. The Administrators have not undertaken a technical accounting review of the financial records or joint venture information. A more detailed assessment of the appropriate accounting treatment, including the correct recognition or disclosure of assets and liabilities, would be a matter for further review, including by a liquidator, if appointed.

We have provided the unaudited management accounts for each of the Companies at Appendix C. As the information at Appendix C has been prepared on a non-consolidated basis, the accounts do not remove the intercompany consolidation entries.

6.2 Financial performance

A summary of the consolidated statement of financial performance is set out below:

Table 4: Statement of financial performance

AQC Group - Summary of Financial Performance			
($'000)	**FY24**	**FY25**	**FY26**
Revenue			
Sales revenue	-	2,571	-
Other income	2,537	831	1,537
Total revenue	**2,537**	**3,402**	**1,537**
Expenses			
Impairment expense	-	(119,725)	32,773
Site and corporate overheads	(7,853)	(80,546)	(3,047)
Employee benefits expense	(2,173)	(14,144)	(589)
Depreciation	(1,186)	(9,469)	(143)
Finance costs	(3,955)	(61,867)	(36,183)
Total expenses	**(15,168)**	**(285,752)**	**(7,189)**
Profit / (Loss)	**(12,631)**	**(282,350)**	**(5,652)**

Source: FY25 annual report and FY26 management accounts

Commentary:

- The AQC Group did not record any sales revenue for FY24 as the Dartbrook Mine had not yet commenced coal production and remained in care and maintenance. The Group did not have any additional material trading activities for the period under review.
- The FY24 loss of $12.6m was largely attributable to care and maintenance holding costs, corporate overheads and finance costs associated with funding the Dartbrook Mine restart. These costs were incurred to preserve the project and support future recommencement activities.
- The Dartbrook Mine achieved first coal production in FY25 and generated sales revenue of $2.6m, however, operating expenditure was $104.2m, reflecting the costs associated with restarting underground mining operations and corporate overheads.
- Finance costs increased significantly in FY25 to $61.9m, reflecting the substantial debt funding required to restart the Dartbrook Mine.
- The external administration of the Dartbrook Entities, appointment of the Receivers and reassessment of the future recoverability of the Dartbrook Mine interest resulted in the AQC Group concluding that there was no recoverable value remaining in the Dartbrook JV interest. Accordingly, the Dartbrook JV interest and relevant assets were impaired to nil, resulting in the recognition of an impairment expense of $119.7m in FY25 and overall loss of $282.4m.
- The Group recorded a loss in FY26 of $5.6m as it did not generate sufficient income to offset its holding costs and financing expenses. A positive impairment adjustment of $32.8 million was recognised during FY26, the nature and basis of which remain under review. The Administrators have requested further information from management in relation to this adjustment.

6.3 Financial position

Table 5: Statement of financial position

AQC Group - Summary of Financial Position			
($'000)	**30-Jun-24**	**30-Jun-25**	**30-Jun-26**
Current assets			
Cash and cash equivalents	17,785	3,426	684
Trade and other receivables	1,612	195	553
Loans receivable	1,200	-	-
Other	2,199	82	113
Total current assets	**22,795**	**3,703**	**1,350**
Non-current assets			
Property, plant and equipment	5,034	-	-
Mining properties	55,571	-	-
Right-of-use assets	2,881	263	182
Loan receivable	8,185	-	-
Other	7,997	8,642	105
Total non-current assets	**79,667**	**8,905**	**287**
Total assets	**102,463**	**12,608**	**1,638**
Current liabilities			
Trade and other payables	13,792	13,755	1,043
Borrowings	-	215,745	251,497
Lease liabilities	514	5,736	-
Total current liabilities	**14,306**	**235,237**	**252,540**
Non-current liabilities			
Provisions	16,923	8,643	-
Lease liabilities	2,395	14,197	218
Borrowings	50,020	-	-
Total non-current liabilities	**69,338**	**22,840**	**218**
Total liabilities	**83,645**	**258,077**	**252,758**
Net assets / (liabilities)	**18,818**	**(245,469)**	**(251,121)**

Source: FY25 annual report and FY26 management accounts

Commentary:

- As at 30 June 2026, the AQC Group recorded net liabilities of $251.1 million. Following the appointment of external administrators to the Dartbrook DOCA Group in July 2025, the Group had limited remaining assets but continued to be a guarantor of the secured debt associated with the Dartbrook JV, totalling over $250m as at 30 June 2026.
- The Vitol senior secured facility was provided to the Dartbrook DOCA Group (i.e. entities not subject to this report), and the Companies subject to this Report were not direct borrowers under that facility. However, AQC provided a parent company guarantee in respect of the facility, which gives rise to a contingent liability for AQC rather than a liability recorded on the balance sheets of the other Companies.

Assets

- Cash and cash equivalents decreased from $17.8m in FY24 to $3.4m in FY25 to fund operations and development activities despite raising additional equity and debt during the period. Cash further deteriorated to $684k in FY26 as the Group was not generating any trading income to offset holding and legal costs associated with the legal proceedings against AQC. On appointment, the Companies held $265k in the applications account (currently subject to receivership) and $62k of unrestricted cash.

- Loans receivable from the JV partners represented $9.4m of total assets in FY24 and these funds were expected to be repaid from excess cash generated from operations. The loan balance increased to $10.8m in FY25 before it was impaired to nil due to the receivership process.
- Mining properties were the most significant asset on the balance sheet in FY24 totalling $55.6m relating to the assets for the Dartbrook Mine. There were additions of $20.4m in FY25 to support an anticipated ramp up in coal production before the assets were ultimately impaired as a result of the receivership.

Liabilities and movement in provisions

- The trade and other payables balance remained broadly unchanged from FY24 to FY25. The payable amount then decreased to $2.3m in FY26 as creditors of the Dartbrook Entities were carved out to be dealt with in the external administrations of those entities.
- At the conclusion of FY24, borrowings totalled $50m comprising:
  - $3m subordinated shareholder loan from Trepang at an interest rate of 10%. It has been reported that the AQC Group agreed to provide security for this loan although further investigations are required; and
  - the AQC Group's share (according to the JV Agreement) of a US$60m 3-year senior secured loan facility provided by Vitol.
- The borrowings increased in FY25 and were reclassified to current liabilities following the appointment of the Receivers and recognition of AQC's parent company guarantee provided for the Vitol secured loan in full as follows:
  - $5m additional shareholder loan from Trepang at an interest rate of 15%. Management has indicated this amount is unsecured however the Administrators are yet to undertake their own investigations;
  - Increase in the Vitol facility to US$113.8m to fund the working capital requirements of the Dartbrook Mine through the recommencement period.; and
  - Additional junior subordinated facility entered into in October 2024 that provided $20m to the Dartbrook JV. We note that $10m was provided by Vitol and $10m was provided by AQC.
- The increase in borrowings to $251.5m in FY26 relates to interest accrued on the above amounts, no additional debt was drawn throughout the period.

6.4 Intercompany loans

The consolidated financial statements presented above eliminate intercompany balances and transactions between entities within the AQC Group.

A summary of the intercompany balances owing between the Companies is below, noting we have not reviewed the underlying arrangements between the entities. Further analysis will be undertaken if a liquidator was appointed.

Table 6: Intercompany loan balances

FY26 intercompany position	
($'000)	**Loan receivable / (payable) to AQC**
AQC Investments 1 Pty Ltd	(2)
AQC Investments 2 Pty Ltd	(39,448)
AQC Services Pty Ltd	(716)
Area Coal Pty Ltd	2,076
Felix St Pty Ltd	(32)
Mining Investments One Pty Ltd	(359)
Total loan receivable / (payable)	**(38,482)**

Source: FY26 management accounts

7 Report on Company Activities and Property

This section sets out the information provided by the Directors about their view of the financial position of the Companies as at the Appointment Date, and the Administrators' comments about the reasonableness of that information.

7.1 Background

The Directors were requested to provide a ROCAP for each of the Companies on 24 August 2026 pursuant to section 438B(2) of the Act. A ROCAP is a report summarising the directors' understanding of the financial position of a company as at the appointment date, as well as their view on the reasons for the company's financial failure.

Set out below is a summary of the Companies' asset and liability position based on:

- the Directors' ROCAPs submitted on 10 September 2026, noting that the Directors requested an extension to the submission deadline on 28 August 2026 which was granted by the Administrators;
- information provided by the Directors; and
- the Administrators' opinion as to the gross estimated realisable values of the assets.

7.2 ROCAP

The ROCAPs of the Companies have been presented on a consolidated basis below. The ROCAP for each of the Companies can be found at Appendix D.

Table 7: Consolidated Director's ROCAPs

Consolidated Director's ROCAPs as at 24 August 2026				
		Director's value		Administrators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Assets				
Cash at bank	7.3.1	410	62	62
Trade and other receivables	7.3.2	-	-	16
PP&E	7.3.3	6	6	-
Intercompany debtors	7.3.4	125,476	-	-
Shares in subsidiaries	7.3.5	0	-	-
Total assets		**125,891**	**68**	**79**
Liabilities				
Secured creditors	7.4.1	251,655	251,655	265
Unsecured contingent claim	7.4.2	-	-	283,090
Priority creditors	7.4.3	287	287	444
Unsecured creditors	7.4.4	1,482	1,482	29,856
Intercompany creditors	7.4.5	42,634	42,634	42,634
Total liabilities		**296,058**	**296,058**	**356,290**
Net assets / (liabilities)		**(170,167)**	**(295,990)**	**(356,212)**

Source: Directors' ROCAPs and Administrators' analysis

The Administrators' comments regarding the assets and liabilities disclosed in the Directors' ROCAPs are set out below.

7.3 Assets

7.3.1 Cash at bank

- The Directors advised that AQC had $410k of cash at bank on appointment amongst several accounts. It was noted that two amounts were not expected to be recoverable, $82k term deposit account in relation to the bank guarantee for the office lease and $265k applications account currently under the control of the Receivers.
- A bank account was also held by AQCI 2 however it only had an immaterial negative balance on appointment and no expectation of funds to be received by the Administrators.
- The Administrators issued a notification to Australian banks and no additional accounts were identified outside of those held by NAB. The Administrators are in the process of transferring the funds to which they are entitled to an Administration bank account.

7.3.2 Trade and other receivables

- Subsequent to the submission of the ROCAPs, Management advised that AQC is entitled to a refund of a security deposit provided to the serviced office provider in the amount of $16k. The Administrators are yet to sight the service contract however the supplier has confirmed that AQC is entitled to these funds.

7.3.3 PP&E

- The Directors advised that there was a limited amount of residual PP&E at the head office premises that was owned by AQC. We conducted a site inspection to review the assets and sought guidance from a valuer who advised that a sale process would likely result in a negative net return due to the nature of the assets. The Administrators therefore elected to abandon the assets.

7.3.4 Intercompany debtors

- In addition to the intercompany loans owing to AQC and Area Coal shown at section 6.4, the following intercompany receivables have been noted in the ROCAPs:
  - $75.8m owing from Dartbrook Commercial Pty Ltd to AQC
  - $1.3m owing from IPOH to AQC
  - $1.2m owing from IPR Operations to AQC
  - $484k owing from the Dartbrook Entities to AQC
  - $4.0m owing from AQC Dartbrook Management to AQCI 2
- The directors of IPOH remain in control of the entity that holds the interest in the Bentonite Project. Any sale of these assets may benefit AQC due to the intercompany debt owing from these entities. Excluding this potential recovery, it is not expected that any other intercompany debts will be recovered due to the receivership process and value of Vitol's secured debt.

7.3.5 Shares in subsidiaries

- The shares held directly by AQC are expected to have no value due to the limited realisable assets owned by these entities with the exception of the Bentonite Project, which may generate a return for AQC via its shareholding or intercompany loan position. We will continue to liaise with the directors of IPOH.
- The shares held by AQCI 2 in the Dartbrook Entities in relation to the Dartbrook Mine are likely to have no value due to the value of the secured creditor debt.

7.3.6 JV interests

- As noted in section 4.1.3, the Directors and Management have advised that Mining Investments One holds a 10% interest in two EPCs under a JV Agreement. The Administrators are investigating whether any interest has been retained in these tenements and if they have any realisable value.

7.4 Liabilities

7.4.1 Secured creditors

- Vitol provided the senior secured loan facility to the Dartbrook DOCA Group as set out in section 6.3. Under the loan agreement, AQC provided a parent company guarantee for the outstanding amounts.
- Trepang also provided the subordinated loans to AQC in two tranches as set out in section 6.3.
- The Directors initially advised in the ROCAPs that $241.7m was owing to Vitol and $10.0m was owing to Trepang as secured debts, however, the Administrators are of the view that Vitol is only secured up to the value of the NAB applications account ($265k) as its security interest relates to this asset specifically and Trepang is unsecured as there is no PPS registration in relation to the debt.
- We note that Receivers are appointed over the AQC NAB applications account and the shares that AQCI 2 holds in its subsidiaries, which relates to the secured loan agreement.

7.4.2 Unsecured contingent claim

- The Administrators received a Notice of Demand shortly following their appointment for repayment of the Vitol debt pursuant to AQC's guarantee indicating the debt owing was $283.4m. The value of this claim against the Companies will be reduced by any recoveries and remain subject to the review of the Administrators.

7.4.3 Priority creditors

- On appointment AQC had two employees. These employees were made redundant by the Administrators on their appointment.
- The Directors advised that $287k of pre-appointment entitlements was owing to the employees representing six months unpaid wages and superannuation and accrued annual leave.
- The Administrators have conducted a preliminary assessment based on the information available to them and estimate that the pre-appointment entitlements are owing by AQC are $444k. The variance is primarily due to the inclusion of PILN and unpaid personal leave by the Administrators and the accrual of annual leave and superannuation in the months wages were not paid, noting this was not accrued for previously.

7.4.4 Unsecured creditors

- The Directors disclosed that AQC had unsecured trade creditors of $1.5m.
- As AQC was a non-trading holding company, it only had a limited number of unsecured trade creditors. These largely related to costs associated with the head office lease, IT costs, mining exploration advisory costs and administrative expenses associated with the ASX listing.
- The material items that have been included in the Administrators' assessment that had not previously been advised on the ROCAP are an additional $2.6m owing to M Resources (i.e. above the $1.2 already recorded in the accounts of AQC) and a $15.9m claim of ZKR as per the Proofs of Debt received to date. These claims are yet to be adjudicated, and further investigation is required to determine their validity.
- Additionally, the Trepang debt of $10.0m as at appointment has been reclassified to an unsecured amount.
- Area Coal has a single unsecured creditor in relation to an annual permit fee owing to a government body. The Administrators have received a Proof of Debt from this creditor.

7.4.5 Intercompany creditors

- Details of intercompany loans have also been included at section 6.4.
- The books and records indicate that there is an intercompany debt of $39.4m owing from AQCI 2 to AQC. Although AQCI 2 holds shares in the entities that have majority ownership of the Dartbrook Mine, Vitol's secured debt makes it highly unlikely that AQC will be able to recover any amounts in respect of the loan from the sale process.
- The remaining Companies subject to the Administrators' appointment do not appear to have any realisable assets and no recovery of these loan amounts is therefore expected.

8 Explanations for the company's failure

This section provides the Directors' and the Administrators' views about the underlying causes contributing to the failure of the Companies.

8.1 Directors' reasons for failure

The Directors have advised that the failure of the Companies arose following the decision of the Queensland Court of Appeal to overturn the Supreme Court's order setting aside the statutory demand issued by M Resources against AQC for $1.1m.

Following the Court of Appeal's decision, the Directors attempted to negotiate a deferral of the payment or otherwise reach a mutually acceptable commercial resolution to settle the debt claimed by M Resources. Despite their efforts, they were unable to reach an agreement on terms acceptable to the Companies.

In the absence of a satisfactory resolution and having regard to the Companies' financial position and their ability to meet obligations as and when they fell due, the Directors formed the view that the Companies were insolvent or likely to become insolvent and resolved to appoint Voluntary Administrators to the Companies.

8.2 Administrators' opinion about reasons for failure

The Administrators do not dispute the Directors' reasons for the Companies failure.

In addition to the Directors' reasons, the Administrators are of the opinion that the following factors also contributed to the failure of the Companies:

- Following the external administration of the Dartbrook Group and the appointment of Receivers over certain assets of AQC and AQCI 2 in July 2025, the AQC Group lost control of its primary asset and operations, being its interest in the Dartbrook JV. As a result, the Companies no longer had access to operational income or funding support.
- Given the Companies are predominately investment-holding or dormant entities and do not generate trading income or have an independent revenue stream, the Companies were reliant on external funding or equity capital. Given the appointment of Receivers to AQC's primary asset, the Dartbrook Mine, the suspension of AQC's shares since 1 October 2025 and uncertainty as to the Companies' ability to continue to operate as a going concern since 3 July 2025, AQC has operated with finite and declining cash.
- Directors and the Companies appear to have been engaging with the Receivers as a potential acquirer of the Dartbrook Mine, although the Companies proposals were not acceptable by the Dartbrook Mine Receivers.
- AQC had significant guarantee exposure for the secured creditor loan provided by Vitol as it provided a parent company guarantee. Although AQC had an understanding with the secured creditor that the guarantee would not be called upon, this debt could have been called on at any time.

8.3 Outstanding statutory demands and/or winding up applications

Apart from the statutory demand by M Resources for payment of the outstanding debt of $1.1m, the Administrators are not aware of any outstanding winding up applications against any of the Companies. This claim was subject to a dispute, and the Queensland Supreme Court had initially set aside the statutory demand in a judgement delivered on 28 October 2025. However, that decision was ultimately overturned and the demand reinstated on 18 August 2026 following an appeal by M Resources in the QLD Court of Appeal.

We note that there was an ongoing legal proceeding commenced by ZKR against AQC in the Federal Court alleging that AQC failed to pay success fees and issue share options under an advisory services agreement entered into following the completion of financing and coal offtake arrangements with Vitol in January 2024. The claim includes approximately USD$1.8m in unpaid success fees, share options alleged to have a value of at least USD$655k and marketing fee entitlements alleged to have a net present value of at least USD$10.7m, together with interest and other relief. Following the appointment of the Administrators, the proceedings have been stayed pending the outcome of the Administration.

9 Administrators' investigations and potential avenues for recovery

This section informs creditors about the investigations undertaken by the Administrators to date and sets out whether any potential recovery actions have been identified that may be available to a liquidator to pursue for the benefit of creditors.

9.1 Overview

The Administrators are required to undertake investigations and report on whether there are potential recoveries or actions that may be available in a liquidation, where a liquidator (if appointed) may be able to recover money or property for the benefit of creditors.

ARITA has issued an information sheet titled "Offences, Recoverable Transactions and Insolvent Trading", which provides general information for creditors about insolvent trading and voidable transactions. This information sheet is available from the ARITA website (www.arita.com.au) and is included at Appendix I. This information sheet defines and sets out background information in relation to:

- insolvent trading; and
- transactions that may be recoverable by a liquidator (known as voidable transactions), including preferences, uncommercial transactions, unfair loans, arrangements to avoid employee entitlements, unreasonable payment to directors, voidable charges and creditor defeating dispositions.

The Administrators' investigations regarding potential recoveries from insolvent trading and voidable transactions enable the Administrators to form an opinion about each of the three possible options available to creditors at the Second Meetings, including an opinion as to which of the three options is in the best interests of creditors in accordance with section 75-225(3)(b) of the IPR.

An administrator is also required, in circumstances that include where it appears to the administrator that a past or present officer of the company may have been guilty of an offence in relation to the company, to complete and lodge a report pursuant to section 438D of the Act with ASIC.

Given the investigations are undertaken in a relatively short timeframe, the work undertaken and conclusions reached are preliminary in nature. Further work will be undertaken if the Companies are placed into liquidation.

The findings of the Administrators investigations, together with details of the types of recovery actions that may be available to a liquidator, are provided in this section of the Report.

9.2 Investigations undertaken

Apart from AQC, the other Companies are dormant or passive investment holding entities where they have no operating revenue, no employees, no operating bank accounts in their own right (except AQCI 2), had a limited volume of transactions and incurred mainly intercompany liabilities. In these circumstances, the Administrators' investigations have focused on confirming the Companies' role within the broader AQC Group and identifying whether there is any apparent basis for recovery actions by a liquidator, if one was appointed.

In respect of AQC, the Administrators have investigated its business, property, affairs and financial circumstances in accordance with section 75-225(3) of the IPR.

The investigations undertaken include, but are not limited to:

- review and analysis of AQC's available financial accounting information and other books and records;
- review of the AQC's board minutes for the twelve months prior to the Appointment Date;
- discussions with the CFO;
- consideration of cash and funding available to the Companies at the Appointment Date, and in the year leading to the Appointment;
- reviewed the Companies' known liabilities (including guarantee exposures) and intercompany positions;
- review of statutory payments and accrued employee entitlements; and
- analysis of ASIC and PPSR searches, and searches of other databases available to the Administrators.

9.3 Books and Records

The Administrators have obtained and reviewed the books and records of the Companies made available for the purposes of their preliminary investigations.

The Administrators are required to provide an opinion as to whether the Companies books and records were maintained in accordance with section 286 of the Act. This section of the Act requires a company must keep written financial records that:

- correctly record and explain its transactions, financial position and performance; and
- would enable true and fair financial statements to be prepared and audited.

If a company does not keep its books and records according to section 286 of the Act, it is assumed to be insolvent. This assumption can be used by a liquidator when seeking compensation for insolvent trading and other recoveries from directors or related parties under the Act.

Based on the Administrators investigations undertaken to date, we consider that the Companies books and records have been maintained in accordance with section 286 of the Act.

Any further assessment of the adequacy of the Companies' books and records would be a matter for a liquidator to investigate should the Companies be wound up.

9.4 Determining the date of insolvency

A crucial element of many statutory recovery actions available to liquidators is to establish the date when the entity subject to their appointment became insolvent.

In determining the solvency of the Companies, the Administrators have considered:

- the definition of insolvency contained in section 95A of the Act;
- case law and ASIC guidance on indicators of insolvency; and
- the adequacy of Companies' books and records, including compliance with section 286 of the Act.

9.4.1 Tests of insolvency

Section 95A of the Act states:

- "95A(1) – A person is solvent if, and only if, the person is able to pay all the person's debts, as and when they become due and payable.
- 95A(2) – A person who is not solvent is insolvent."
- "Person" includes corporations and individuals pursuant to section 2C of the Acts Interpretation Act 1901 (Cth).

There are two generally accepted financial tests to determine whether a company is insolvent:

- the balance sheet test, which considers whether the value of an entity's assets exceeds its liabilities. While relevant to an assessment of financial position, the balance sheet test does not, of itself, determine whether an entity is able to pay its debts as and when they fall due; and
- the cash flow test, which involves an assessment of whether an entity's immediately available (or readily realisable) assets are sufficient to meet its due and payable debts.

The cash flow test is considered to better address the requirements of section 95A of the Act. However, the balance sheet test is useful in providing context for overall financial position. Accordingly, the Administrators have considered both tests in assessing the point of insolvency for Companies as detailed in the following sections.

(a) Balance sheet test

The balance sheet test specifies that a company is or may be insolvent if its total liabilities exceed the value of its total assets, i.e. there are insufficient assets to discharge its liabilities at a point in time.

Review of the net asset position indicates the AQC Group were in a net liability position from June 2025, primarily due to the impairment of the AQC Group's interest in the Dartbrook JV following the appointment of external administrators to the Dartbrook Entities and the Receivers' appointment over certain assets of AQC and AQCI 2. This resulted in the write down of the AQC Group's principal asset base, while AQC remained exposed to significant liabilities, including its parent company guarantee for the Vitol secured debt facility.

The net asset position continued to deteriorate as at 30 June 2026 due to the ongoing accrual of interest and finance costs associated with the Vitol secured debt facility, the absence of any material trading income following the loss of control of the Dartbrook Mine assets, and the continued incurrence of holding, corporate and legal costs while the Companies sought to progress a recapitalisation or sale outcome.

The Companies were not direct borrowers under the Vitol senior secured facility. AQC's exposure arose by way of a parent company guarantee. As at the Appointment Date, the guarantee had not been called and the exposure was therefore contingent. However, Vitol retained the ability to call on the guarantee at any time and, had it done so, AQC would not have had sufficient funds or readily realisable assets available to repay the guaranteed amount.

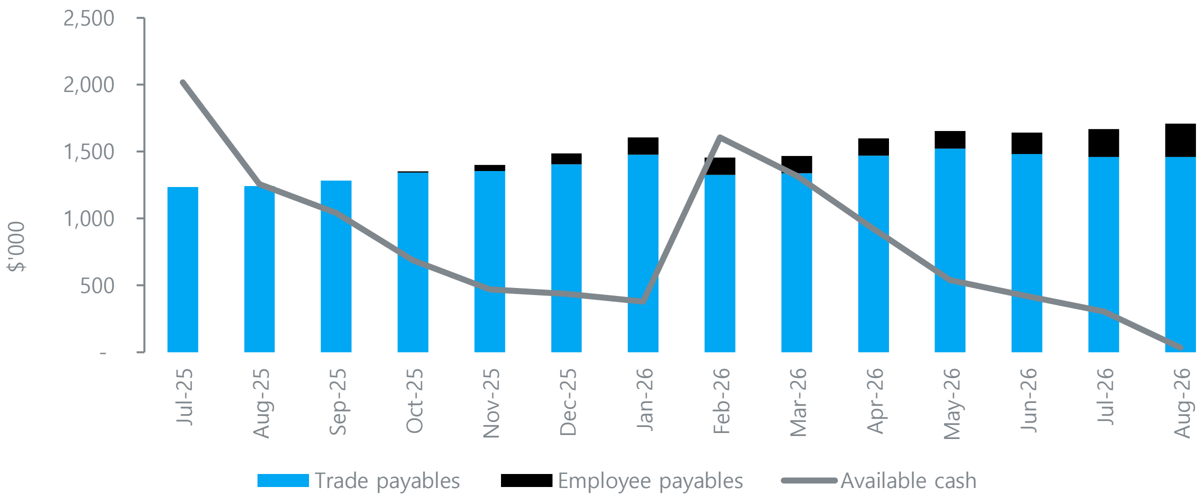
If the Vitol facility was not recognised as a direct borrowing of the Companies, this would improve the reported balance sheet position of the AQC Group. Further investigations are required to determine the appropriate accounting treatment of the facility and guarantee, including whether the exposure should have been recognised as a liability or disclosed as a contingent liability at earlier reporting dates.

(b) Cash flow test

The cash flow test considers whether the Companies had sufficient cash, readily realisable assets or available funding to meet debts as and when they became due and payable. Given the Companies were primarily dormant or investment-holding entities, and AQC performed the corporate and employing functions for the broader AQC Group, their solvency was dependent on available cash reserves, ongoing funding support and the ability to realise value from the Dartbrook Mine or other investments.

The following graph shows Companies cash available against debts that were due and payable monthly from July 2025 to the Appointment Date.

Figure 2: McGrathNicol working capital analysis



We make the following observations with respect to the Companies' working capital position:

- The working capital analysis indicates that the Companies' liquidity position deteriorated over the period from July 2025 to the Appointment Date. Following the loss of control of the Dartbrook Mine assets, the Companies relied on limited cash reserves, together with the receipt of a $1.5 million R&D tax refund in February 2026, to fund ongoing holding, employee, legal and advisory costs.
- Notwithstanding the R&D tax refund, the Companies' available cash continued to reduce and was insufficient to meet obligations as they fell due, evidenced by the deferral of employee wages from November 2025.
- Based on the analysis, the Companies failed the cash flow test for solvency from at least November 2025, when employee wages were first deferred, and potentially earlier from July 2025 following the appointment of external administrators to the Dartbrook DOCA Group and Receivers over the Dartbrook Mine assets.

9.4.2 Indicators of insolvency

ASIC's "Regulatory Guide 217 – Duty to prevent insolvent trading: Guide for directors" lists indicators of potential insolvency that a reasonable person would take into account when determining whether a company is insolvent. ASIC has also issued Information Sheet 42 titled "Insolvency: A Guide for Directors", which sets out several insolvency indicators.

The Administrators have considered the generally accepted indicators of insolvency with reference to the Companies and note the following were present for the Companies:

- Overdue taxes and superannuation liabilities;
- Lawyers' letters, demands and other judgements;
- Special arrangements with creditors; and
- Liquidity ratio is less than 1 for the Companies.

Further investigations with respect to these indicators would be undertaken if a liquidator is appointed.

9.5 Administrators' conclusions regarding solvency

The Administrators' preliminary view is that the Companies were insolvent from at least November 2025, being the date AQC first deferred employee wages. The Companies may have been insolvent potentially earlier, around July 2025, when external administrators were appointed to the Dartbrook DOCA Group, the Receivers were appointed over the Dartbrook Mine assets and certain assets of AQC and AQCI 2, and the broader AQC Group lost access to its primary asset and funding support.

The working capital analysis does not assume that the Vitol parent company guarantee had crystallised prior to the Appointment Date. However, AQC remained exposed to the Vitol facility under its parent company guarantee, which could have been called at any time. Had the guarantee been called, AQC would have become insolvent earlier.

The Administrators' investigations remain preliminary. If the Companies are wound up, further investigations would be undertaken, including a more detailed review of the timing and quantum of debts incurred, the availability of cash and funding at relevant times, the Companies' ability to settle the M Resources statutory demand, the ZKR proceedings and AQC's guarantee exposure to the Vitol secured debt facility.

9.6 Insolvent trading

9.6.1 Directors' liability

Pursuant to section 588G of the Act, a director of a company has a duty to ensure that the company does not incur debts that it is unable to pay (i.e. it does not trade whilst insolvent).

In the event that a company is placed into liquidation, and insolvent trading is found to have occurred, the directors may be subject to prosecution and penalties including becoming personally liable for the debts incurred after the company became insolvent. Before a court will order that a person pay compensation in respect of insolvent trading, a liquidator must establish that:

- the person was a director of the company at the time the company incurred the debt the subject of the claim;
- the company was insolvent at that time or became insolvent by incurring the debt;
- at that time, there were reasonable grounds for suspecting that the company was insolvent or would become insolvent by incurring the debt; and
- the debt, which is the subject of the claim, was wholly or partly unsecured and the creditors with outstanding amounts suffered loss and damage.

A liquidator would be required to consider the likelihood of successfully prosecuting any claims, and the cost of doing so, against the potential recoveries from such claims. This would include considering the director's financial position and whether Directors and Officers insurance policy is currently in place to respond to such a claim.

The unpaid debts incurred from July 2025 primarily relate to employee wages and unpaid holding costs. The M Resources and ZKR claims arose before the likely insolvency date and are therefore unlikely to form part of any insolvent trading claim.

9.6.2 Statutory defences

There are various statutory defences available to directors in defending an insolvent trading claim, as set out in section 588H of the Act. In summary, these are that the director:

- had reasonable grounds to expect that the company was solvent at the time the debt was incurred;
- had reasonable grounds to believe, and did believe, that a competent, reliable person was responsible for providing adequate information on the company's solvency and that person fulfilled that responsibility. On the basis of such information, the director believed that at the time the debt was incurred, and considering the other debts existing at that time, the company was solvent and remained solvent;
- was ill (and therefore did not take part in management) at the time the debt was incurred; and
- took reasonable steps to prevent the debts being incurred.

Based on the Administrators preliminary review of the Companies' affairs to date, the Administrators expect the Directors may not have reasonable prospects of raising a defence to any insolvent trading claim under section 588H of the Act on the following basis:

- the primary asset of the broader AQC Group, being the Dartbrook Mine was subject to external administration and sale since July 2025 and therefore the Directors lost funding support from Vitol from this date;
- In addition, the shares of AQC were suspended in October 2025, therefore it did not have access to additional equity; and
- The Directors deferred employee wages for the period from November 2025 to January 2026, and from June 2026 to the Appointment Date.

We note that the Directors had submitted multiple recapitalisation proposals to the Receivers as part of the sale of the Dartbrook Mine which were ultimately unsuccessful. If a liquidator was appointed, further investigations would be required to understand the likelihood of the recapitalisation proposals being able to recapitalise the Dartbrook Mine and Companies if these were accepted by the Receivers.

9.6.3 Safe Harbour

In addition to statutory defences, section 588GA of the Act provides protection for directors against insolvent trading claims, in certain circumstances. The Safe Harbour legislation aims to encourage directors of companies facing financial challenges to formulate and take a course of action that it is expected to result in a better outcome than the immediate appointment of an administrator or liquidator.

The protection is available in circumstances where, as soon as the director suspected that the company was or could become insolvent, they engaged in activities that were reasonably likely to lead to a "better outcome" for the company. If this is done, the directors will not be exposed to personal liability for any new debts incurred from that time that were directly or indirectly related to those activities. To be eligible to rely upon the safe harbour provisions, the company must have all employee entitlements paid up to date and taxation lodgements cannot be in arrears.

The Administrators' preliminary investigations indicate that the Directors may not be able to rely on the safe harbour defence as it did not engage a safe harbour adviser and there are outstanding employee entitlements owing as at the Appointment Date.

If the Companies are wound up and the Administrators are appointed Liquidators, the Liquidators will further investigate the matter of insolvent trading.

9.7 Holding company's liability

A holding company can also be held liable for the insolvent trading of its subsidiary (pursuant to section 588V of the Act) in circumstances where:

- the company was a holding company of the subsidiary at the time the debts were incurred by the subsidiary; and
- the subsidiary was insolvent or became insolvent when it incurred the debts; and
- at the time there were reasonable grounds for suspecting insolvency; and
- the holding company or at least one of its directors was aware of the grounds for suspecting insolvency, or "having regard to the nature and extent of the corporation's control over the company's affairs and to any other relevant circumstances", it was reasonable to expect the holding company or one of its directors to be aware of the grounds for suspecting insolvency.

A claim against AQC and AQCI 2 for the insolvent trading of any of its subsidiaries would involve the same set of facts as a claim against the Directors and, in any case, this would be an unsecured claim against an insolvent entity.

9.8 Voidable transactions

Pursuant to Part 5.7B of the Act, certain transactions that occurred prior to the Appointment Date, may be recovered by a liquidator for the benefit of creditors.

This may result in, amongst other things, a requirement for a third party to return property and/or money and thereby increase the assets available to the liquidators for distribution to creditors. These transactions are known as voidable transactions.

Section 75-225 of the IPR requires an administrator to specify whether there are any transactions that appear to the administrator to be voidable transactions in respect of which money, property or other benefits may be recoverable by a liquidator under Part 5.7B of the Act.

It is important to note that most voidable transactions can only be recovered if the company in question is proven to have been insolvent at the time of the transaction. As set out at section 9.5 of the Report, the Administrators' preliminary opinion is that the Companies may have been insolvent from November 2025, and potentially back to July 2025.

The main voidable transactions that require insolvency to be established are:

- **unfair preferences:** transactions between the insolvent entity and a creditor resulting in the creditor receiving from the insolvent entity, in relation to an unsecured debt owed to the creditor, a greater amount than the creditor would have received in relation to the debt in a winding up of the company;
- **uncommercial transactions:** transactions which a reasonable person in the place of the insolvent entity would not have entered into, taking into account the benefits and the detriment to the insolvent entity, the respective benefits to the other parties involved; and
- **creditor defeating dispositions:** transactions involving a disposal of company property that prevents, hinders or significantly delays that property from being available for the benefit of creditors in the winding up of the company.

Other voidable transactions which may be claimed regardless of solvency are:

- **unfair loans:** a loan agreement where the interest or charges are considered to be extortionate. Unfair loans made to the entity any time prior to the appointment of the Administrators may potentially be overturned by a subsequently appointed liquidator, whether or not the entity was insolvent at the time the loan was entered into;
- **unreasonable director related transactions:** transactions with a director or a related entity of the director which a reasonable person in the place of the entity would not have entered into, taking into account the benefits and the detriment to the entity, the respective benefits to the other parties involved and any other related matters; and
- **security interests created within six months of the relation back day:** these may be unenforceable under certain circumstances.

The Administrators preliminary review identified instalment payments totalling c.$200k was made to a creditor, in which AQC has provided an unsecured guarantee.

The Administrators note that their investigations to date are preliminary. If the Companies are placed into liquidation, further investigations and a cost benefit analysis of instigating recovery actions against individual creditors will be required to be undertaken by an appointed liquidator.

9.9 Breach of Directors' duties

Sections 180 to 184 of the Act set out the duties, obligations and responsibilities imposed on directors, which are designed to promote good governance and ensure that directors act in the interests of the company. These duties include:

- duty of care and diligence;
- duty of good faith;
- duty not to make improper use of position; and
- duty not to make improper use of information.

The Administrators have undertaken preliminary investigations into whether the Directors have breached their duties set out in the above sections of the Act.

The Administrators' preliminary view is that the Directors have likely breached their duties, obligations and responsibilities imposed on them pursuant to sections 180 to 182 of the Act to continue to operate the business the Directors resolved to defer payment of employee wages notwithstanding that wages constitute accrued statutory and contractual entitlements. In circumstances where AQC may have been experiencing financial constraints, the directors' decision to postpone payment of employee wages may indicate a failure to exercise a degree of care and diligence expected of a reasonable director and/or a failure to act in the best interests of the company and for a proper purpose.

The Administrators note that their investigations to date are preliminary. If the Companies are placed into liquidation, further investigations will be undertaken by the liquidator.

9.10 Funding to pursue insolvent trading and voidable transactions

Insolvent trading and voidable transactions can only be pursued in a liquidation. Further investigation and any subsequent proceedings may incur significant costs.

If recoverable liquidator claims were identified, a liquidator would require funding from external sources such as creditors or litigation funders. Such claims could only be pursued by a liquidator if the Company is wound up and the Liquidators seek to commence such action.

10 Anticipated return to creditors

The Administrators have not identified any meaningful assets that are likely to lead to a return to unsecured creditors.

If a Liquidator is appointed, further investigations would be undertaken to identify recoveries for the benefit of creditors.

At this point in time, a DOCA proposal is not being put to creditors but one might be forthcoming at which point we will provide an assessment for creditors.

11 Options available to creditors

This section provides creditors with a statement of the Administrators' opinion regarding each course of action creditors are entitled to vote for at the Second Meetings.

The Administrators must provide creditors with their opinion on each of the below courses of action that creditors are entitled to vote on at the Second Meetings:

- the Administration to end with control of the Companies reverting to the Directors;
- the Companies to enter into a DOCA; or
- The Companies to enter liquidation and be wound up.

11.1 Administration to end

Creditors may consider ending the Administration and returning the control of the Companies to the Directors. This would only be appropriate in circumstances where the Companies were solvent.

The Administrators do not consider this is a viable option, noting that the Companies remain insolvent and have no access to funding. It would not be appropriate to return control of an insolvent company to its Directors.

In the Administrators' opinion, it is not in the best interests of creditors of the Companies to vote for the Administration to end.

11.2 DOCA

A DOCA is a binding arrangement between a company and its creditors governing how the company's affairs will be dealt with. It aims to maximise the chances of the company, or as much as possible of its business, continuing, or to provide a better return to creditors than an immediate winding up. A DOCA binds all unsecured creditors, even if they voted against the proposal.

The Directors have submitted a draft proposal to the Administrators but it is not in a form capable of being put to creditors.

The Administrators are in ongoing discussions with the Directors regarding the terms of the proposal and are assessing its viability and likely impact on creditors. A supplementary report will be provided to creditors setting out the terms of the proposal, together with the Administrators' assessment and opinion, ahead of the reconvened second meetings of creditors, which will be held no later than 30 November 2026 (being within 45 business days of the adjournment).

11.3 The Companies to be wound up

At this stage, the winding up of the Companies is the only option for creditors.

However, the Administrators' recommendation remains subject to the outcome of ongoing discussions and assessment of the Directors' proposal and may change upon completion of that process. Further information will be provided in our supplementary report to creditors.

11.4 Administrators' recommendation

For the reasons set out above, the Administrators do not recommend that creditors vote on the future of the Companies at the upcoming Second Meetings of Creditors but rather the meetings be adjourned. A supplementary report will be provided for creditors' consideration at the reconvened second meetings of creditors.

12 Creditor information about remuneration

An administrator's remuneration can only be fixed by resolution of a COI, a company's creditors or by application to the Court.

To date, no remuneration has been approved for the Administration of the Companies.

The Administrators will seek approval of their remuneration at the reconvened second meetings of creditors once they have considered the Directors' proposal and is in a position to recommend the best course of action for the future of the Companies.

13 Contact

Please refer to the McGrathNicol website at https://www.mcgrathnicol.com/creditors/aqc-entities for further information regarding this administration. If you have any queries, please contact Marco Micalizzi on 02 9248 9973 or aqcentities@mcgrathnicol.com.

Dated: 21 September 2026

Jonathan Henry
Administrator

Appendices:

Appendix A – Notice of Meeting

Appendix B – Statutory information

Appendix C – Financial information

Appendix D – ROCAP information

Appendix E – Proof of Debt (Form 535) and guidance notes

Appendix F – Proxy Form

Appendix G – Proxy Form Guidance Notes

Appendix H – General information for attending and voting at meeting of creditors

Appendix I – ARITA information sheets

A Notice of Meeting

Notice of Meetings

Australian Pacific Coal Limited (Receivers Appointed) ACN 089 206 986
AQC Investments 1 Pty Ltd ACN 609 954 716
AQC Investments 2 Pty Ltd (Receivers Appointed) ACN 609 954 734
AQC Services Pty Ltd ACN 133 205 964
Area Coal Pty Ltd ACN 132 643 193
Felix St Pty Ltd ACN 138 950 991
Mining Investments One Pty Ltd ACN 123 222 266
(All Administrators Appointed)
(collectively, the Companies

NOTICE OF MEETINGS OF
CREDITORS OF COMPANY UNDER EXTERNAL ADMINISTRATION

1. Notice is now given that the meetings of the creditors of the Companies will be held virtually only on **Monday, 28 September 2026 at 2:00PM**. The notional location for the meeting is Level 12, 44 Martin Place, Sydney NSW 2000 (provided for compliance purposes only – please do not attend in person).
2. The meeting will be held virtually using online video conferencing. The online video conference can be joined from a computer (preferred) or telephone. Questions can be typed or asked verbally during the meeting. Voting will be conducted by taking a poll by an electronic survey accessible by computer or mobile device.
3. Should you wish to attend or nominate someone to attend by proxy or attorney on your behalf, contact the Administrators by email (aqcentities@mcgrathnicol.com) or telephone on (02) 9248 9973 and you will be provided with detailed instructions on how to participate in the meeting.
4. The purpose of the meeting is:
   a. To receive the Administrators' report about the business, property, affairs and financial circumstances of the Companies, to present the Administrators' opinion about the future of the Companies, and to resolve that:
      i. the administration should end;
      ii. the Companies execute a deed of company arrangement (DOCA);
      iii. the Companies be wound up; or
      iv. the meeting be adjourned.
   b. To consider, and if thought fit, approve:
      i. the Administrators' remuneration; and
      ii. the remuneration of the Deed Administrators or Liquidators (depending on the outcome of the Companies as determined by creditors at the meeting).
   c. If the Companies are wound up, to consider:
      i. authorising the Liquidators to compromise debts of the Companies beyond the prescribed amount of $100,000 under Section 477(2A) of the Corporations Act;
      ii. authorising the Liquidators to enter into agreements that may take longer than three months to complete under Section 477(2B) of the Corporations Act; and
      iii. authorising the early destruction of books and records.

d. To discuss any other relevant business which may arise.

5. The effect of Insolvency Practice Rules (Corporations) section 75-85 (entitlement to vote as a creditor at meetings of creditors) is:

   a. A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.

   b. Subject to subsections (c) and (d), each creditor is entitled to vote and has one vote.

   c. A person is not entitled to vote as a creditor at a meeting of creditors unless:

      i. his or her debt or claim has been admitted wholly or in part by the external administrator; or

      ii. he or she has lodged, with the person presiding at the meeting, or with the person named in the notice convening the meeting as the person who may receive particulars of the debt or claim:

         - those particulars; or
         - if required—a formal proof of the debt or claim.

   d. A creditor must not vote in respect of:

      i. an unliquidated debt; or

      ii. a contingent debt; or

      iii. an unliquidated or a contingent claim; or

      iv. a debt the value of which is not established;

      unless a just estimate of its value has been made.

6. Proofs of debt and proxies must be submitted to aqcentities@mcgrathnicol.com by **4:00PM (AEST) on Friday, 25 September 2026.**

7. Should you wish to attend, or nominate someone to attend by proxy or attorney on your behalf, please contact the Administrators by email (aqcentities@mcgrathnicol.com) and provide the correctly completed proxy or power of attorney to the convenor, by no later than **4:00PM (AEST) Friday, 25 September 2026,** which must set out:

   - the name of the person or attorney (if any); and
   - an address to which notices to the person, proxy or attorney may be sent; and a method by which the person, proxy or attorney may be contacted for the purposes of the meetings.

Dated: 21 September 2026

Jonathan Henry
Administrator

B Statutory Information

B1 Australian Pacific Coal Limited

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | Australian Pacific Coal Limited	
Information type	**Details**
Company name	Australian Pacific Coal Limited
ACN	089 206 986
Registered in	Queensland
Registered on	23/08/1999
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Stair Street Kayuga NSW 2333
Type / class	Australian Public Company

Source: ASIC registry

Directors and officers

Directors and officers | Australian Pacific Coal Limited			
Name	**Role**	**Appointment Date**	**Resignation Date**
Nicholas Johansen	Director	9/01/2023	-
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
William Jeffrey Beatty	Former Director	9/01/2023	24/04/2024
Anthony John Lalor	Former Director	2/11/2020	2/03/2023
David Mark Conry	Former Director	2/04/2020	16/01/2023
Craig John McPherson	Former Director	6/12/2021	25/11/2022
Mark Antony Jagla	Former Director	23/09/2020	6/12/2021
Shane Leslie Stone	Former Director	1/08/2016	2/11/2020
Ainslie Helen Maclean	Former Director	18/11/2019	23/09/2020
Bruce Alwin Munro	Former Director	19/05/2017	31/03/2020
John James Robinson	Former Director	30/10/2015	16/11/2019
Peter Alexander Ziegler	Former Director	29/11/2005	31/05/2018
Paul James Byrne	Former Director	29/11/2005	15/02/2017
Nathan Leslie Tinkler	Former Director	30/10/2015	9/02/2016
Paul Anthony Ingram	Former Director	17/03/2011	30/10/2015
Paul Bradley Ryan	Former Director	29/11/2012	30/10/2015
John Graham Bovard	Former Director	30/10/2009	29/11/2012
Alan Timothy Prowse	Former Director	30/11/2010	29/06/2011
John William Laurie	Former Director	20/01/2000	30/11/2010
Alan Timothy Prowse	Former Director	30/11/2010	30/11/2010
Christopher Paul Dredge	Former Director	29/11/2005	14/06/2010
Sirjit Singh	Former Director	26/02/2009	30/10/2009
Brian Peter Jones	Former Director	23/08/1999	22/10/2009
John James Fick	Former Director	7/06/2006	28/06/2007
John Boyd Reid	Former Director	23/08/1999	1/06/2006
Anthony John Hanmer	Former Director	19/12/2001	12/01/2005
Peter Michael O'Neill	Former Director	23/08/1999	27/08/2002
Eugene Kopp	Former Director	19/12/2001	27/02/2002

Source: ASIC registry

Shareholders

Shareholders (Top 20) | Australian Pacific Coal Limited		
Shareholder Name	**Issued Capital**	**Total (%)**
TREPANG SERVICES PTY LTD	223,763,926	31.94%
MR BUGUO WANG	73,770,000	10.53%
WARBONT NOMINEES PTY LTD	18,428,176	2.63%
SAMBOR TRADING PTY LTD	14,758,271	2.11%
CITICORP NOMINEES PTY LIMITED	12,202,201	1.74%
PATULLO INVESTMENTS PTY LTD	11,958,056	1.71%
BART SUPERANNUATION PTY	11,109,348	1.59%
MR NICHOLAS THEODORE JAMES	8,822,085	1.26%
FINCLEAR SERVICES PTY LTD	8,748,146	1.25%
UBS NOMINEES PTY LTD	8,579,155	1.22%
BUTTONWOOD NOMINEES PTY LTD	8,368,176	1.19%
BNP PARIBAS NOMINEES PTY LTD	8,326,493	1.19%
RESTRUCTURE NOW PTY LTD	7,140,000	1.02%
MR CRAIG STEPHEN MARSHALL	7,000,000	1.00%
NT HOUSE PTY LTD	6,944,444	0.99%
NEWECONOMY COM AU NOMINEES	6,220,677	0.89%
KENMORE NEWS PTY LTD	6,000,000	0.86%
MR BERTRAND LALANNE	6,000,000	0.86%
W M P MANAGEMENT PTY LTD	6,000,000	0.86%
JET ARM LIMITED	5,000,000	0.71%

Source: Share register

Security interests

A search of the PPSR revealed six registered security interests against AQC, as summarised in the table below:

Security interests | Australian Pacific Coal Limited		
Registration	**Secured Party**	**Collateral Class**
201512030040769	National Australia Bank Limited	Motor vehicle
201512030040822	National Australia Bank Limited	Other Goods
202301110046782	AC2 Electrical Pty Ltd	Other Goods
202403050000011	Global Loan Agency Services Australia Specialist Activities Pty Limited	General Intangible
202403050000024	Global Loan Agency Services Australia Specialist Activities Pty Limited	Account
202403050000030	Global Loan Agency Services Australia Specialist Activities Pty Limited	Account

Source: PPSR searches

B2 AQC Investments 1 Pty Ltd

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | AQC Investments 1 Pty Ltd	
Information type	**Details**
Company name	AQC Investments 1 Pty Ltd
ACN	609 954 716
Registered in	Queensland
Registered on	22/12/2015
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Level 1, 371 Queen Street, Brisbane QLD 4000
Type / class	Australian Proprietary Company

Source: ASIC registry

Directors and officers

Directors and officers | AQC Investments 1 Pty Ltd			
Name	**Role**	**Appointment Date**	**Resignation Date**
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
Anthony John Lalor	Former Director	2/11/2020	3/03/2023
David Mark Conry	Former Director	2/11/2020	16/01/2023
Mark Antony Jagla	Former Director	2/11/2020	6/12/2021
Shane Leslie Stone	Former Director	31/05/2018	2/11/2020
John James Robinson	Former Director	15/02/2016	16/11/2019
Peter Alexander Ziegler	Former Director	22/12/2015	31/05/2018
Nathan Leslie Tinkler	Former Director	22/12/2015	9/02/2016

Source: ASIC registry

Shareholders

Shareholders (current) | AQC Investments 1 Pty Ltd			
Class	**Shareholder Name**	**Issued Capital**	**Total (%)**
Ordinary	Australian Pacific Coal Limited	10	100%

Source: ASIC registry

Security interests

A search of the PPSR revealed there were no security interests registered against AQCI 1.

B3 AQC Investments 2 Pty Ltd

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | AQC Investments 2 Pty Ltd	
Information type	**Details**
Company name	AQC Investments 2 Pty Ltd
ACN	609 954 734
Registered in	Queensland
Registered on	22/12/2015
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Stair Street Kayuga NSW 2333
Type / class	Australian Proprietary Company

Source: ASIC registry

Directors and officers

Directors and officers | AQC Investments 2 Pty Ltd			
Name	**Role**	**Appointment Date**	**Resignation Date**
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
Anthony John Lalor	Former Director	2/11/2020	3/03/2023
David Mark Conry	Former Director	2/11/2020	16/01/2023
Mark Antony Jagla	Former Director	2/11/2020	6/12/2021
Shane Leslie Stone	Former Director	31/05/2018	2/11/2020
John James Robinson	Former Director	15/02/2016	16/11/2019
Peter Alexander Ziegler	Former Director	22/12/2015	31/05/2018
Nathan Leslie Tinkler	Former Director	22/12/2015	9/02/2016

Source: ASIC registry

Shareholders

Shareholders (current) | AQC Investments 2 Pty Ltd			
Class	**Shareholder Name**	**Issued Capital**	**Total (%)**
Ordinary	Australian Pacific Coal Limited	10	100%

Source: ASIC registry

Security interests

A search of the PPSR revealed two registered security interests against AQCI 2 as summarised in the table below:

Security interests | AQC Investments 2 Pty Ltd		
Registration	**Secured Party**	**Collateral Class**
202401200006530	Global Loan Agency Services Australia Specialist Activities Pty Limited	All PAP with Exception
202402090028225	Global Loan Agency Services Australia Specialist Activities Pty Limited	All PAP with Exception

Source: PPSR searches

B4 AQC Services Pty Ltd

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | AQC Services Pty Ltd	
Information type	**Details**
Company name	AQC Services Pty Ltd
ACN	133 205 964
Registered in	Queensland
Registered on	11/09/2008
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Level 1, 371 Queen Street, Brisbane QLD 4000
Type / class	Australian Proprietary Company

Source: ASIC registry

Directors and officers

Directors and officers | AQC Services Pty Ltd			
Name	**Role**	**Appointment Date**	**Resignation Date**
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
Anthony John Lalor	Former Director	2/11/2020	3/03/2023
David Mark Conry	Former Director	2/11/2020	16/01/2023
Mark Antony Jagla	Former Director	2/11/2020	6/12/2021
Shane Leslie Stone	Former Director	31/05/2018	2/11/2020
John James Robinson	Former Director	16/02/2017	16/11/2019
Peter Ziegler	Former Director	22/10/2009	31/05/2018
Paul James Byrne	Former Director	11/09/2008	15/02/2017
John Graham Bovard	Former Director	15/07/2010	29/11/2012
John William Laurie	Former Director	22/10/2009	30/06/2011
Sirjit Singh	Former Director	22/10/2009	30/06/2010
Christopher Paul Dredge	Former Director	22/10/2009	14/06/2010

Source: ASIC registry

Shareholders

Shareholders (current) | AQC Services Pty Ltd			
Class	**Shareholder Name**	**Issued Capital**	**Total (%)**
Ordinary	Australian Pacific Coal Limited	10	100%

Source: ASIC registry

Security interests

A search of the PPSR revealed there were no security interests registered against AQC Services.

B5 Area Coal Pty Ltd

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | Area Coal Pty Ltd	
Information type	**Details**
Company name	Area Coal Pty Ltd
ACN	132 643 193
Registered in	Queensland
Registered on	8/08/2008
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Level 1, 371 Queen Street, Brisbane QLD 4000
Type / class	Australian Proprietary Company

Source: ASIC registry

Directors and officers

Directors and officers | Area Coal Pty Ltd			
Name	**Role**	**Appointment Date**	**Resignation Date**
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
Anthony John Lalor	Former Director	5/11/2020	3/03/2023
David Mark Conry	Former Director	2/11/2020	16/01/2023
Mark Antony Jagla	Former Director	2/11/2020	6/12/2021
Shane Leslie Stone	Former Director	31/05/2018	2/11/2020
John James Robinson	Former Director	16/02/2017	16/11/2019
Peter Alexander Ziegler	Former Director	11/05/2010	31/05/2018
Paul James Byrne	Former Director	8/08/2008	15/02/2017
John Graham Bovard	Former Director	15/07/2010	29/11/2012
John William Laurie	Former Director	15/07/2010	30/06/2011
Pamela Miriam Hendy	Former Director	8/08/2008	8/08/2008

Source: ASIC registry

Shareholders

Shareholders (current) | Area Coal Pty Ltd			
Class	**Shareholder Name**	**Issued Capital**	**Total (%)**
Ordinary	Australian Pacific Coal Limited	1	100%

Source: ASIC registry

Security interests

A search of the PPSR revealed there were no security interests registered against Area Coal.

B6 Felix St Pty Ltd

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | Felix St Pty Ltd	
Information type	**Details**
Company name	Felix St Pty Ltd
ACN	138 950 991
Registered in	Victoria
Registered on	19/08/2009
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Level 1, 371 Queen Street, Brisbane QLD 4000
Type / class	Australian Proprietary Company

Source: ASIC registry

Directors and officers

Directors and officers | Felix St Pty Ltd			
Name	**Role**	**Appointment Date**	**Resignation Date**
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
Anthony John Lalor	Former Director	2/11/2020	3/03/2023
David Mark Conry	Former Director	2/11/2020	16/01/2023
Mark Antony Jagla	Former Director	2/11/2020	6/12/2021
Shane Leslie Stone	Former Director	31/05/2018	2/11/2020
John James Robinson	Former Director	16/02/2017	16/11/2019
Peter Alexander Ziegler	Former Director	19/05/2011	31/05/2018
Paul James Byrne	Former Director	19/08/2009	15/02/2017

Source: ASIC registry

Shareholders

Shareholders (current) | Felix St Pty Ltd			
Class	**Shareholder Name**	**Issued Capital**	**Total (%)**
Ordinary	Australian Pacific Coal Limited	1	100%

Source: ASIC registry

Security interests

A search of the PPSR revealed there were no security interests registered against Felix St.

B7 Mining Investments One Pty Ltd

Key statutory details, as maintained in ASIC's records, are set out in the tables below:

Key statutory information

Company information | Mining Investments One Pty Ltd	
Information type	**Details**
Company name	Mining Investments One Pty Ltd
ACN	123 222 266
Registered in	Queensland
Registered on	20/12/2006
Registered office	Level 1, 371 Queen Street, Brisbane QLD 4000
Principal place of business	Level 1, 371 Queen Street, Brisbane QLD 4000
Type / class	Australian Proprietary Company

Source: ASIC registry

Directors and officers

Directors and officers | Mining Investments One Pty Ltd			
Name	**Role**	**Appointment Date**	**Resignation Date**
John James Robinson	Director	5/06/2024	-
Seth John Dickinson	Director	20/03/2025	-
Craig John McPherson	Secretary	22/08/2019	-
Jeffrey Gerard	Former Director	5/06/2024	30/06/2025
Ayten Saridas	Former Director	25/11/2022	29/11/2024
Michael Ryan	Former Director	25/11/2022	17/06/2024
Anthony John Lalor	Former Director	2/11/2020	3/03/2023
David Mark Conry	Former Director	2/11/2020	16/01/2023
Mark Antony Jagla	Former Director	2/11/2020	6/12/2021
Shane Leslie Stone	Former Director	31/05/2018	2/11/2020
John James Robinson	Former Director	16/02/2017	16/11/2019
Peter Alexander Ziegler	Former Director	20/12/2006	31/05/2018
Paul James Byrne	Former Director	20/12/2006	15/02/2017
John Graham Bovard	Former Director	15/07/2010	29/11/2012
John William Laurie	Former Director	20/12/2006	30/06/2011
Sirjit Singh	Former Director	22/10/2009	30/06/2010
Christopher Paul Dredge	Former Director	20/12/2006	14/06/2010
Brian Peter Jones	Former Director	20/12/2006	22/10/2009
John James Fick	Former Director	20/12/2006	11/07/2007
Pamela Miriam Hendy	Former Director	20/12/2006	20/12/2006

Source: ASIC registry

Shareholders

Shareholders (current) |Mining Investments One Pty Ltd			
Class	**Shareholder Name**	**Issued Capital**	**Total (%)**
Ordinary	Australian Pacific Coal Limited	10	100%

Source: ASIC registry

Security interests

A search of the PPSR revealed there were no security interests registered against Mining Investments One.

C Financial statements by entity

Note: The Administrators have been advised that financial statements on an entity-level basis were not prepared for FY24 and are not available. Additionally, entity-level statements of financial performance have not been included as these entities were not trading and did not have any material income or expenses.

C1 Australian Pacific Coal Limited

AQC – Financial performance

AQC - Summary of Financial Performance		
($'000)	**FY25**	**FY26**
Revenue		
Interest income	7,377	11,143
Other income	1,480	1,523
Total revenue	**8,857**	**12,666**
Expenses		
Impairment expense	(2)	-
Site and corporate overheads	(4,828)	(2,978)
Employee benefits expense	(1,526)	(601)
Depreciation	(78)	(102)
Finance costs	(389)	(432)
Total expenses	**(6,823)**	**(4,113)**
Profit / (Loss)	**2,033**	**8,553**

Source: Management accounts

AQC – Financial position

AQC - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Current assets		
Cash and cash equivalents	3,531	776
Trade and other receivables	19,598	30,966
Loans receivable	45,126	44,876
Other	161	231
Total current assets	**68,415**	**76,848**
Non-current assets		
Property, plant and equipment	49	28
Investments in subsidiaries	0	0
Right-of-use assets	263	182
Intercompany loans	39,171	39,240
Total non-current assets	**39,483**	**39,450**
Total assets	**107,898**	**116,298**
Current liabilities		
Trade and other payables	2,250	2,190
Borrowings	8,000	8,000
Employee provisions	35	49
Total current liabilities	**10,286**	**10,239**
Non-current liabilities		
Lease liabilities	284	218
Total non-current liabilities	**284**	**218**
Total liabilities	**10,569**	**10,457**
Net assets / (liabilities)	**97,329**	**105,842**

Source: Management accounts

C2 AQC Investments 1 Pty Ltd

AQCI 1 – Financial position

AQCI 1 - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Non-current liabilities		
Intercompany loans	2	2
Total non-current liabilities	**2**	**2**
Total liabilities	**2**	**2**
Net assets / (liabilities)	**(2)**	**(2)**

Source: Management accounts

C3 AQC Investments 2 Pty Ltd

AQCI 2 – Financial position

AQCI 2 - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Non-current assets		
Investment Anglo Coal Dartbrook	30,674	30,674
Intercompany loans	4,009	4,009
Total non-current assets	**34,683**	**34,683**
Total assets	**34,683**	**34,683**
Non-current liabilities		
Intercompany loans	39,448	39,448
Total non-current liabilities	**39,448**	**39,448**
Total liabilities	**39,448**	**39,448**
Net assets / (liabilities)	**(4,765)**	**(4,766)**

Source: Management accounts

C4 AQC Services Pty Ltd

AQC Services – Financial position

AQC Services - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Non-current assets		
Trade and other receivables	0	0
Total non-current assets	**0**	**0**
Total assets	**0**	**0**
Non-current liabilities		
Intercompany loans	716	716
Total non-current liabilities	**716**	**716**
Total liabilities	**716**	**716**
Net assets / (liabilities)	**(716)**	**(716)**

Source: Management accounts

C5 Area Coal Pty Ltd

Area Coal – Financial position

Area Coal - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Non-current assets		
Intercompany loans	2,081	2,076
Mining properties	5	5
Total non-current assets	**2,086**	**2,081**
Total assets	**2,086**	**2,081**
Current liabilities		
Trade and other payables	0	0
Total current liabilities	**0**	**0**
Total liabilities	**0**	**0**
Net assets / (liabilities)	**2,085**	**2,080**

Source: Management accounts

C6 Felix St Pty Ltd

Felix St – Financial position

Felix St - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Ccurrent assets		
Trade and other receivables	1	1
Total current assets	**1**	**1**
Total assets	**1**	**1**
Non-current liabilities		
Intercompany loans	32	32
Total non-current liabilities	**32**	**32**
Total liabilities	**32**	**32**
Net assets / (liabilities)	**(31)**	**(32)**

Source: Management accounts

C7 Mining Investments One Pty Ltd

Mining Investments One – Financial position

Mining Investments One - Summary of Financial Position		
($'000)	**FY25**	**FY26**
Non-current liabilities		
Intercompany loans	359	359
Total non-current liabilities	**359**	**359**
Total liabilities	**359**	**359**
Net assets / (liabilities)	**(359)**	**(359)**

Source: Management accounts

D ROCAP by entity

D1 Australian Pacific Coal Limited

D2 AQC Investments 1 Pty Ltd

D3 AQC Investments 2 Pty Ltd

D4 AQC Services Pty Ltd

D5 Area Coal Pty Ltd

D6 Felix St Pty Ltd

D7 Mining Investments One Pty Ltd

D1 Australian Pacific Coal Limited

AQC - Director's ROCAP as at 24 August 2026				
		Director's value		Administrators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Assets				
Cash at bank	7.3.1	410	62	62
Trade and other receivables	7.3.2	-	-	16
PP&E	7.3.3	6	6	-
Intercompany debtors	7.3.4	119,391	-	-
Shares in subsidiaries	7.3.5	0	-	-
Total assets		**119,806**	**68**	**79**
Liabilities				
Secured creditors	7.4.1	251,655	251,655	265
Unsecured contingent claim	7.4.2	-	-	283,090
Priority creditors	7.4.3	287	287	444
Unsecured creditors	7.4.4	1,481	1,481	29,856
Intercompany creditors	7.4.5	2,076	2,076	2,076
Total liabilities		**255,500**	**255,500**	**315,731**
Net assets / (liabilities)		**(135,693)**	**(255,431)**	**(315,653)**

Source: Directors' ROCAPs and Administrators' analysis

D2 AQC Investments 1 Pty Ltd

AQCI 1 - Director's ROCAP as at 24 August 2026				
		Director's value		Liquidators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Liabilities				
Intercompany creditors	7.4.5	2	2	2
Total liabilities		**2**	**2**	**2**
Net assets / (liabilities)		**(2)**	**(2)**	**(2)**

Source: Directors' ROCAPs and Administrators' analysis

D3 AQC Investments 2 Pty Ltd

AQCI 2 - Director's ROCAP as at 24 August 2026				
		Director's value		Administrators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Assets				
Cash at bank	7.3.1	(0)	-	-
Intercompany debtors	7.3.4	4,009	-	-
Shares in subsidiaries	7.3.5	0	-	-
Total assets		**4,009**	**-**	**-**
Liabilities				
Intercompany creditors	7.4.5	39,448	39,448	39,448
Total liabilities		**39,448**	**39,448**	**39,448**
Net assets / (liabilities)		**(35,440)**	**(39,448)**	**(39,448)**

Source: Directors' ROCAPs and Administrators' analysis

D4 AQC Services Pty Ltd

AQC Services - Director's ROCAP as at 24 August 2026				
		Director's value		Liquidators'
$'000	Note	Book value	Estimated value	estimated value
Liabilities				
Intercompany creditors	7.4.5	716	716	716
Total liabilities		**716**	**716**	**716**
Net assets / (liabilities)		**(716)**	**(716)**	**(716)**

Source: Directors' ROCAPs and Administrators' analysis

D5 Area Coal Pty Ltd

Area Coal - Director's ROCAP as at 24 August 2026				
		Director's value		Administrators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Assets				
Intercompany debtors	7.3.4	2,076	-	-
Total assets		**2,076**	**-**	**-**
Liabilities				
Unsecured creditors	7.4.4	1	1	1
Total liabilities		**1**	**1**	**1**
Net assets / (liabilities)		**2,076**	**(1)**	**(1)**

Source: Directors' ROCAPs and Administrators' analysis

D6 Felix St Pty Ltd

Felix St - Director's ROCAP as at 24 August 2026				
		Director's value		Liquidators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Liabilities				
Intercompany creditors	7.4.5	32	32	32
Total liabilities		**32**	**32**	**32**
Net assets / (liabilities)		**(32)**	**(32)**	**(32)**

Source: Directors' ROCAPs and Administrators' analysis

D7 Mining Investments One Pty Ltd

Mining Investments One - Director's ROCAP as at 24 August 2026				
		Director's value		Administrators'
$'000	**Note**	**Book value**	**Estimated value**	**estimated value**
Assets				
JV interests	7.3.6	-	-	-
Total assets		**-**	**-**	**-**
Liabilities				
Intercompany creditors	7.4.5	359	359	359
Total liabilities		**359**	**359**	**359**
Net assets / (liabilities)		**(359)**	**(359)**	**(359)**

Source: Directors' ROCAPs and Administrators' analysis

E Proof of Debt (Form 535) and guidance notes

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Australian Pacific Coal Limited (Administrators Appointed) (Receivers Appointed)

ACN 089 206 986

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026, and still is, justly and truly indebted to:

____ (name of creditor)

of ____ (address of creditor)

for $______________and________cents (GST inclusive) GST amount ________________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a shareholder of the Company
- ☐ Other: ______________________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: ______________________________________ Family Name: ______________________________________

Address: ____

Suburb: ____ Postcode: _____________________

State: ____

Country: ______________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly: aqcentities@mcgrathnicol.com

Guidance Notes

It is a creditor's responsibility to prove their claim to our satisfaction.

When lodging claims, creditors must ensure:

- the proof of debt form is filled out correctly in every detail; and
- evidence, as set out under "Information to support your claim", is attached.

Directions for completion of a Proof of Debt

1. Insert the full name and address of the creditor.
2. Under "Consideration" state how the debt arose, for example "goods sold to the company on ____________________".
3. Under "Remarks" include details of any documents that substantiate the debt.
4. If there's not enough space in a particular section, please attach additional information.

Information to support your claim

Unless you provide evidence to support your claim, it likely won't be accepted. Detailed below are some examples of debts creditors may claim and a suggested list of documents that should accompany a proof of debt to support a claim.

Trade Creditors

- Invoices and statements showing the amount of the debt
- Requests to pay outstanding invoice(s) (optional)

Guarantees/Indemnities

- Executed guarantee/indemnity
- Notice of Demand served on the guarantor
- Calculation of the amount outstanding under the guarantee

Judgment Debt

- Copy of the judgment
- Documents/details to support the underlying debt as per other categories

Deficiencies on Secured Debt

- Security Documents (e.g. mortgage)
- Independent valuation of the secured portion of the debt (if not yet realised) or the basis of the creditor's estimated value of the security
- Calculation of the deficiency on the security
- Details of income earned and expenses incurred by the secured creditor in respect of the secured asset since the date of appointment

Loans (Bank and Personal)

- Executed loan agreement
- Loan statements showing payments made, interest accruing and the amount outstanding as at the date of appointment

Tax Debts

- Documentation that shows the assessment of debts, whether it is an actual debt or an estimate, and separate amounts for the primary debt and any penalties

Employee Debts

- Basis of calculation of the debt
- Type of Claim (e.g. wages, holiday pay, etc)
- Correspondence relating to the debt being claimed
- Contract of Employment (if any)

Leases

- Copy of the lease
- Statement showing amounts outstanding under the lease, differentiating between amounts outstanding at the date of the appointment and any future monies

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

AQC Investments 1 Pty Ltd (Administrators Appointed)

ACN 609 954 716

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026, and still is, justly and truly indebted to:

   ______________________________ (name of creditor)

of ______________________________ (address of creditor)

for $______________and__________cents (GST inclusive) GST amount ______________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a shareholder of the Company
- ☐ Other: ______________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: ______________________________ Family Name: ______________________________

Address: ____

Suburb: ______________________________ Postcode: ________________

State: ______________________________

Country: ________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly:
aqcentities@mcgrathnicol.com

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

AQC Investments 2 Pty Ltd (Administrators Appointed) (Receivers Appointed)

ACN 609 954 734

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026, and still is, justly and truly indebted to:

____ (name of creditor)

of ____ (address of creditor)

for $______________and__________cents (GST inclusive) GST amount ____________________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a shareholder of the Company
- ☐ Other: ____________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: ____________________________________ Family Name: ____________________________________

Address: ____

Suburb: ____________________________________ Postcode: ____________________

State: ____________________________________

Country: ____________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly: aqcentities@mcgrathnicol.com

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

AQC Services Pty Ltd (Administrators Appointed)

ACN 133 205 964

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026 and still is, justly and truly indebted to:

____ (name of creditor)

of ____ (address of creditor)

for $______________________and__________cents (GST inclusive) GST amount __________________________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

☐ The creditor is a company and I am signing as a director of the company

☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company

☐ I am an individual and I am signing in my personal capacity (which includes employees)

☐ The creditor is a sole trader and I am signing as the proprietor

☐ The creditor is a partnership and I am signing as a partner of the partnership

☐ I am signing in my personal capacity as a shareholder of the Company

☐ Other: ______________________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: ____________________________________ Family Name: ____________________________________

Address: ____

Suburb: ______________________________________ Postcode: ____________________

State: ____

Country: _____________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly: aqcentities@mcgrathnicol.com

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Area Coal Pty Ltd (Administrators Appointed)

ACN 132 643 193

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026, and still is, justly and truly indebted to:

   ____ (name of creditor)

of ____ (address of creditor)

for $____________and______cents (GST inclusive) GST amount ______________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a shareholder of the Company
- ☐ Other: ______________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: _________________________________ Family Name: _________________________________

Address: ____

Suburb: ___________________________________ Postcode: __________________

State: _____________________________________

Country: ___________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly: aqcentities@mcgrathnicol.com

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Felix St Pty Ltd (Administrators Appointed)

ACN 138 950 991

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026, and still is, justly and truly indebted to:

   ____ (name of creditor)

   of ____ (address of creditor)

   for $____________________and__________cents (GST inclusive) GST amount ________________________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a shareholder of the Company
- ☐ Other: ________________________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: ______________________________________ Family Name: ______________________________________

Address: ____

Suburb: ____ Postcode: _____________________

State: ____

Country: ______________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly: aqcentities@mcgrathnicol.com

Subregulation 5.6.49(2)

FORM 535

FORMAL PROOF OF DEBT OR CLAIM (GENERAL FORM)

Mining Investments One Pty Ltd (Administrators Appointed)

ACN 123 222 266

"the Company"

To the Liquidator/Administrator of the Company

1. This is to state that the Company was on 24 August 2026, and still is, justly and truly indebted to:

   ____ (name of creditor)

of ____ (address of creditor)

for $____________________and__________cents (GST inclusive) GST amount ________________________

Date	Consideration (state how the Debt arose)	Amount $ c	Remarks (include details of voucher substantiating payment)

2. To my knowledge or belief the creditor has not, nor has any person by the creditor's order, had or received any satisfaction or security for the sum or any part of it except for the following: *(insert particulars of all securities held. If the securities are on the property of the company, assess the value of those securities. If any bills or other negotiable securities are held, show them in a schedule in the following form).*

Date	Drawer	Acceptor	Amount $c	Due Date

3. Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a shareholder of the Company
- ☐ Other: ________________________________

4. If you are a related party, state your relationship

____

5. Is this debt claimed on the basis of an assignment? Yes ☐ No ☐

If so, what consideration was paid for the debt?

____

The debt was incurred for the consideration stated and the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature .... Dated ....

Given Name: ____________________________________ Family Name: ____________________________________

Address: ____

Suburb: _______________________________________ Postcode: ____________________

State: ____

Country: _____________________

Suite/Level (if applicable): ____

Email: ____

Please double-check to ensure your email is correct as it will be used for future correspondence and verification.

Do you have claims against any other entities? Yes ☐ No ☐

Please attach evidence of your claim (e.g. invoices, statements, contracts etc.)

If you have additional attachments, please email them to the Administrators directly: aqcentities@mcgrathnicol.com

F Proxy Form

PROXY FORM

Australian Pacific Coal Limited (Administrators Appointed) (Receivers Appointed)

ACN: 089 206 986

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ______________________________ of

____ (*insert address*)

a creditor of **Australian Pacific Coal Limited (Administrators Appointed) (Receivers Appointed)** appoint

_________________________________ (*insert name, address and description of the person appointed*)
or in his or her absence

_________________________________ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this ______ day of ________________ 2026

Name ____________________________

Signature ____________________________

Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a member or contributory of Australian Pacific Coal Limited (Administrators Appointed) (Receivers Appointed)
- ☐ Other: ____

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**Australian Pacific Coal Limited (Administrators Appointed) (Receivers Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

PROXY FORM

AQC Investments 1 Pty Ltd (Administrators Appointed)

ACN: 609 954 716

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ______________________________________ of

____ (*insert address*)

a creditor of **AQC Investments 1 Pty Ltd (Administrators Appointed)** appoint

____ (*insert name, address and description of the person appointed*)
or in his or her absence

____ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this ________ day of _____________________ 2026

Name ____________________________________

Signature ____________________________________

Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a member or contributory of AQC Investments 1 Pty Ltd (Administrators Appointed)
- ☐ Other: ______________________________________

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**AQC Investments 1 Pty Ltd (Administrators Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

PROXY FORM

AQC Investments 2 Pty Ltd (Administrators Appointed) (Receivers Appointed)

ACN: 609 954 734

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ____ of

____ (*insert address*)

a creditor of **AQC Investments 2 Pty Ltd (Administrators Appointed) (Receivers Appointed)** appoint

____ (*insert name, address and description of the person appointed*)
or in his or her absence

____ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this ________ day of _________________ 2026

Name ______________________________________

Signature ______________________________________

Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a member or contributory of AQC Investments 2 Pty Ltd (Administrators Appointed) (Receivers Appointed)
- ☐ Other: ____

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**AQC Investments 2 Pty Ltd (Receivers Appointed) (Administrators Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

PROXY FORM

AQC Services Pty Ltd (Administrators Appointed)

ACN: 133 205 964

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ____ of

____ (*insert address*)

a creditor of **AQC Services Pty Ltd (Administrators Appointed)** appoint

____ (*insert name, address and description of the person appointed*)
or in his or her absence

____ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this _________ day of ____________________ 2026

Name ____

Signature ____

Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a member or contributory of AQC Services Pty Ltd (Administrators Appointed)
- ☐ Other: ______________________________________

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**AQC Services Pty Ltd (Administrators Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

PROXY FORM

Area Coal Pty Ltd (Administrators Appointed)

ACN: 132 643 193

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ____ of

____ (*insert address*)

a creditor of **Area Coal Pty Ltd (Administrators Appointed)** appoint

____ (*insert name, address and description of the person appointed*)
or in his or her absence

____ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this _________ day of ________________________ 2026

Name ____

Signature ____

Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a member or contributory of Area Coal Pty Ltd (Administrators Appointed)
- ☐ Other: ______________________________________

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**Area Coal Pty Ltd (Administrators Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

PROXY FORM

Felix St Pty Ltd (Administrators Appointed)

ACN: 138 950 991

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ______________________________ of

____ (*insert address*)

a creditor of **Felix St Pty Ltd (Administrators Appointed)** appoint

_________________________________ (*insert name, address and description of the person appointed*)
or in his or her absence

_________________________________ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this ________ day of ____________________ 2026

Name ______________________________

Signature ______________________________

Select which of the below applies (choose one):

- ☐ The creditor is a company and I am signing as a director of the company
- ☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company
- ☐ I am an individual and I am signing in my personal capacity (which includes employees)
- ☐ The creditor is a sole trader and I am signing as the proprietor
- ☐ The creditor is a partnership and I am signing as a partner of the partnership
- ☐ I am signing in my personal capacity as a member or contributory of Felix St Pty Ltd (Administrators Appointed)
- ☐ Other: ______________________________________

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**Felix St Pty Ltd (Administrators Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

PROXY FORM

Mining Investments One Pty Ltd (Administrators Appointed)

ACN: 123 222 266

APPOINTMENT OF PROXY

I/We (*if a firm, strike out "I" and set out the full name of the firm*) ____ of

____ (*insert address*)

a creditor of **Mining Investments One Pty Ltd (Administrators Appointed)** appoint

____ (*insert name, address and description of the person appointed*)
or in his or her absence

____ (*insert name, address and description of the person appointed*)
as my/our (*choose one*):

☐ general proxy ☐ special proxy

to vote at the meeting of creditors to be held on **Monday, 28 September 2026 at 2:00PM (AEST)** or at any adjournment of that meeting.

DATED this __________ day of ___________________________ 2026

Name ____

Signature ____

Select which of the below applies (choose one):

☐ The creditor is a company and I am signing as a director of the company

☐ The creditor is a company and I am signing as an authorised representative/duly constituted attorney of the company

☐ I am an individual and I am signing in my personal capacity (which includes employees)

☐ The creditor is a sole trader and I am signing as the proprietor

☐ The creditor is a partnership and I am signing as a partner of the partnership

☐ I am signing in my personal capacity as a member or contributory of Mining Investments One Pty Ltd (Administrators Appointed)

☐ Other: ______________________________________

Proxy forms should be completed and returned by no later than 4:00PM (AEST) on Friday, 25 September 2026 by email (preferred) to aqcentities@mcgrathnicol.com or by post to the following address.

RETURN TO:	**Mining Investments One Pty Ltd (Administrators Appointed)**
care of:	McGrathNicol
Address:	GPO Box 9986, Sydney NSW 2001
Phone:	(02) 9248 9973
Fax:	(02) 9338 2699

G Proxy Form Guidance Notes

Proxy
Guidance Notes

- Insert full name and address of creditor, contributory or member on the top line.
- On the second line, insert the address of the creditor, contributory or member.
- On the next line insert the name of the person you appoint as your proxy. You may insert "the Chairperson of the meeting" if you wish.
- You may appoint an alternate proxy on the fourth line who may act if your first appointed proxy cannot attend the meeting. You may insert "the Chairperson of the meeting" if you wish.
- Make sure you select whether the proxy is a general or special proxy.
- A general proxy is where you leave it to the proxy to decide how to vote on each of the resolutions put before the meeting.
- A special proxy is where you specify how the proxy is to vote on each resolution and the proxy must vote in accordance with that instruction.
- If the proxy is a special proxy, the form must include details of each resolution and whether the proxy holder is to cast their vote in favour or against each resolution or abstain from voting.
- Date and sign the Proxy form, indicating in which capacity you are signing the form. The person signing must be authorised to do so.

H General information for attending and voting at meeting of creditors

Australian Pacific Coal Limited (Receivers Appointed) ACN 089 206 986
AQC Investments 1 Pty Ltd ACN 609 954 716
AQC Investments 2 Pty Ltd (Receivers Appointed) ACN 609 954 734
AQC Services Pty Ltd ACN 133 205 964
Area Coal Pty Ltd ACN 132 643 193
Felix St Pty Ltd ACN 138 950 991
Mining Investments One Pty Ltd ACN 123 222 266
(All Administrators Appointed)
(each a Company and collectively, the Companies)

General Information for Attending and Voting at Meetings of Creditors

Time and Place of Meeting

Pursuant to *Insolvency Practice Rules (Corporations)* (**IPR**) 75-30, a meeting of creditors must be convened at the time and place the Chairperson believes are convenient for the majority of creditors entitled to receive notice of the meeting.

Quorum

Pursuant to IPR 75-105, unless a quorum is present, a meeting must not act for any purpose other than:

- the election of a chairperson; and
- the proving of debts; and
- the adjournment of the meeting.

A quorum is present if two (2) or more persons are entitled to vote and at least two (2) persons are present at the meeting in person, by proxy or by power of attorney.

A quorum is present if only one (1) person is entitled to vote and that person is present at the meeting in person, by proxy or by power of attorney.

A person who participates in the meeting using electronic facilities is taken to be present in person at the meeting.

A meeting is sufficiently constituted if only one (1) person is present in person, if the person represents personally or by proxy or otherwise a number of persons sufficient to constitute a quorum.

Chairperson

Pursuant to IPR 75-50, the external administrator is appointed Chairperson of the meeting. Alternatively, pursuant to IPR 75-50 and IPR 75-152 the external administrator may appoint someone else to act as chairperson of the meeting and authorise that person to use any proxies held by the external administrator on the external administrator's behalf.

For the second meeting of creditors in a Voluntary Administration, the Administrator must chair the meeting pursuant to IPR 75-50.

Voting

Pursuant to IPR 75-85, creditors will not be eligible to vote at the meeting unless they have lodged particulars of their debt or claim prior to or at the meeting.

Accordingly, creditors who intend to vote at the meeting should ensure that they lodge a formal proof of debt with the external administrator prior to or at the meeting.

Pursuant to IPR 75-110, a resolution put to the meeting is to be decided on the voices or by a poll, if one is requested.

A poll may be requested by:

- the chairperson; or
- a person participating and entitled to vote at the meeting.

Pursuant to IPR 75-115, should a poll be requested:

- a resolution is passed if a majority in number and a majority in value vote in favour of the resolution; and
- a resolution is not passed if a majority in number and a majority in value vote against the proposed resolution.

In the event of a deadlock, the chairperson may exercise a casting vote. In such situations, the minutes of the meeting must specify the chairperson's reasons for exercising, or not exercising, their casting vote.

Proxies

Pursuant to IPR 75-150, a person entitled to vote at a meeting may, in writing, appoint an individual as their proxy to attend and vote at the meeting on their behalf.

Accordingly, creditors who are unable to attend the meeting but who wish to be represented should ensure that a validly executed proxy form is lodged with the external administrator prior to the meeting.

Corporate Creditors

Corporate creditors who wish to attend the meeting should note that an individual may only represent them if the corporation validly grants that person a proxy or power of attorney.

Committee of Inspection

Pursuant to IPR 80-5, a person may only serve as a member of a Committee of Inspection if the person is:

- a creditor of the company personally; or
- the attorney of a creditor under a general power of attorney; or
- authorised in writing by a creditor; or
- a representative of the Commonwealth if a FEG claim has been, or the Commonwealth considers a claim is likely to be, made in relation to unpaid employee entitlements.

Corporate creditors who are members of a Committee of Inspection may be represented by an individual authorised in writing by the member to represent the member on the committee.

I ARITA information sheets

ARITA Information Sheet – Offences, Recoverable Transactions and Insolvent Trading

ARITA Information Sheet – Committees of Inspection

Voluntary Administration Creditor Information Sheet

Offences, Recoverable Transactions and Insolvent Trading

ARITA
AUSTRALIAN RESTRUCTURING INSOLVENCY & TURNAROUND ASSOCIATION

Offences

A summary of offences under the Corporations Act that may be identified by the administrator:

180	Failure by company officers to exercise a reasonable degree of care and diligence in the exercise of their powers and the discharge of their duties.
181	Failure to act in good faith.
182	Making improper use of their position as an officer or employee, to gain, directly or indirectly, an advantage.
183	Making improper use of information acquired by virtue of the officer's position.
184	Reckless or intentional dishonesty in failing to exercise duties in good faith for a proper purpose. Use of position or information dishonestly to gain advantage or cause detriment. This can be a criminal offence.
198G	Performing or exercising a function or power as an officer while a company is under administration.
206A	Contravening a court order against taking part in the management of a corporation.
206A, B	Taking part in the management of corporation while being an insolvent, for example, while bankrupt.
206A, B	Acting as a director or promoter or taking part in the management of a company within five years after conviction or imprisonment for various offences.
209(3)	Dishonest failure to observe requirements on making loans to directors or related companies.
254T	Paying dividends except out of profits.
286	Failure to keep proper accounting records.
312	Obstruction of an auditor.
314-7	Failure to comply with requirements for the preparation of financial statements.
437D(5)	Unauthorised dealing with company's property during administration.
438B(4)	Failure by directors to assist administrator, deliver records and provide information.
438C(5)	Failure to deliver up books and records to the administrator.
588G	Incurring liabilities while insolvent
588GAB	Officer's duty to prevent creditor-defeating disposition
588GAC	A person must not procure a company to make a creditor-defeating disposition
590	Failure to disclose property, concealed or removed property, concealed a debt due to the company, altered books of the company, fraudulently obtained credit on behalf of the company, material omission from Report as to Affairs or false representation to creditors.
596AB	Entering into an agreement or transaction to avoid employee entitlements.

Recoverable Transactions

Preferences

A preference is a transaction, such as a payment by the company to a creditor, in which the creditor receiving the payment is preferred over the general body of creditors. The relevant period for the payment commences six months before the commencement of the liquidation. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Where a creditor receives a preference, the payment is voidable as against a liquidator and is liable to be paid back to the liquidator subject to the creditor being able to successfully maintain any of the defences available to the creditor under the Corporations Act.

Creditor-defeating disposition

Creditor-defeating dispositions are the transfer of company assets for less than market value (or the best price reasonably obtainable) that prevents, hinders or significantly delay creditors' access to the company's assets in liquidation. Creditor-defeating dispositions are voidable by a liquidator.

Uncommercial Transaction

An uncommercial transaction is one that it may be expected that a reasonable person in the company's circumstances would not have entered into, having regard to the benefit or detriment to the company; the respective benefits to other parties; and any other relevant matter.

To be voidable, an uncommercial transaction must have occurred during the two years before the liquidation. However, if a related entity is a party to the transaction, the period is four years and if the intention of the transaction is to defeat creditors, the period is ten years. The company must have been insolvent at the time of the transaction, or become insolvent because of the transaction.

Unfair Loan

A loan is unfair if and only if the interest was extortionate when the loan was made or has since become extortionate. There is no time limit on unfair loans – they only must be entered into before the winding up began.

Arrangements to avoid employee entitlements

If an employee suffers loss because a person (including a director) enters into an arrangement or transaction to avoid the payment of employee entitlements, the liquidator or the employee may seek to recover compensation from that person or from members of a corporate group (Contribution Order).

Unreasonable payments to directors

Liquidators have the power to reclaim '*unreasonable payments*' made to directors by companies prior to liquidation. The provision relates to payments made to or on behalf of a director or close associate of a director. The transaction must have been unreasonable, and have been entered into during the 4 years leading up to a company's liquidation, regardless of its solvency at the time the transaction occurred.

Voidable charges

Certain charges over company property are voidable by a liquidator:

- circulating security interest created within six months of the liquidation, unless it secures a subsequent advance;
- unregistered security interests;
- security interests in favour of related parties who attempt to enforce the security within six months of its creation.

Insolvent trading

In the following circumstances, directors may be personally liable for insolvent trading by the company:

- a person is a director at the time a company incurs a debt;
- the company is insolvent at the time of incurring the debt or becomes insolvent because of incurring the debt;
- at the time the debt was incurred, there were reasonable grounds to suspect that the company was insolvent;
- the director was aware such grounds for suspicion existed; and
- a reasonable person in a like position would have been so aware.

The law provides that the liquidator, and in certain circumstances the creditor who suffered the loss, may recover from the director, an amount equal to the loss or damage suffered. Similar provisions exist to pursue holding companies for debts incurred by their subsidiaries.

A defence is available under the law where the director can establish:

- there were reasonable grounds to expect that the company was solvent and they did so expect;
- they did not take part in management for illness or some other good reason; or
- they took all reasonable steps to prevent the company incurring the debt.

The proceeds of any recovery for insolvent trading by a liquidator are available for distribution to the unsecured creditors before the secured creditors.

Important note: This information sheet contains a summary of basic information on the topic. It is not a substitute for legal advice. Some provisions of the law referred to may have important exceptions or qualifications. This document may not contain all of the information about the law or the exceptions and qualifications that are relevant to your circumstances.

Queries about the voluntary administration should be directed to the administrator's office.

Information Sheet: Committees of Inspection

You have been elected to be, or are considering standing for the role of, a member of a Committee of Inspection (COI) in either a liquidation, voluntary administration or deed of company arrangement of a company (collectively referred to as an external administration).

This information sheet is to assist you with understanding your rights and responsibilities as a member of a COI.

What is a COI?

A COI is a small group of creditors elected to represent the interests of creditors in the external administration. The COI advises and assists the external administrator and also has the power to approve and request certain things – this is discussed in more detail below.

Membership of the COI is a voluntary, unpaid position.

Who can be elected to a COI?

To be eligible to be appointed as a member of a COI, a person must be:

- A creditor
- A person holding the power of attorney of a creditor
- A person authorised in writing by a creditor; or
- A representative of the Commonwealth where a claim for financial assistance has, or is likely to be, made in relation to unpaid employee entitlements.

If a member of the COI is a company, it can be represented by an individual authorised in writing to act on that creditor's behalf. It also allows the creditor to maintain its representation if a change in the individual is required

A COI usually has between 5 and 7 members, though it can have more, or less, depending on the size of the external administration.

A member of a COI can be appointed by:

- resolution at a meeting of creditors
- an employee or a group of employees owed at least 50% of the entitlements owed to employees of the company
- a large creditor or group of creditors that are owed at least 10% of the value of the creditors' claims,

If an employee or group of employees, or a large creditor or group of creditors, appoints a member to the COI, they cannot vote on the general resolution of creditors to appoint members to the COI. Each of these groups also have the power to remove their appointed member of the COI and appoint someone else.

If you are absent from 5 consecutive meetings of the COI without leave of the COI or you become an insolvent under administration, you are removed from the COI.

What are the roles and powers of a COI?

A COI has the following roles:

- to advise and assist the liquidator, voluntary administrator or deed administrator (collectively referred to as the external administrator)
- to give directions to the external administrator
- to monitor the conduct of the external administration.

In respect of directions, the external administrator is only required to have regard to those directions. If there is a conflict between the directions of the COI and the creditors, the directions of the creditors prevail. If the external administrator chooses not to comply with the directions of the COI, the external administrator must document why.

A COI also has the power to:

- approve remuneration of the external administrator after the external administrator has provided the COI with a Remuneration Approval Report (a detailed report setting out the remuneration for undertaking the external administration)
- approve the use of some of the external administrator’s powers in a liquidation (compromise of debts over $100,000 and entering into contracts over 3 months)
- require the external administrator to convene a meeting of the company’s creditors
- request information from the external administrator
- approve the destruction of the books and records of the external administration on the conclusion of the external administration
- with the approval of the external administrator, obtain specialist advice or assistance in relation to the conduct of the external administration
- apply to the Court for the Court to enquire into the external administration.

An external administrator is not required to convene a meeting of creditors if the request by the COI is unreasonable, or provide requested information if the request is unreasonable, not relevant to the administration or would cause the external administrator to breach their duties.

A request to convene a meeting of creditors is unreasonable if:

- it would substantially prejudice the interests of a creditor or third party
- there are insufficient funds in the external administration to cover the cost of the request
- a meeting of creditors dealing with the same matters has already been held or will be held within 15 business days, or
- the request is vexatious.

If a request for a meeting is reasonable, the external administrator must hold a meeting of creditors as soon as reasonably practicable.

A request for information is unreasonable if:

- it would substantially prejudice the interests of a creditor or third party
- the information would be subject to legal professional privilege
- disclosure of the information would be a breach of confidence
- there are insufficient funds in the external administration to cover the cost of the request
- the information has been provided or is required to be provided within 20 business days, or
- the request is vexatious.

If the request for information is not unreasonable, the external administrator must provide the requested information within 5 business days, but the law provides for further time in certain circumstances.

An external administrator must inform the COI if their meeting or information request is not reasonable and the reason why.

How does the COI exercise its powers?

A COI exercises its powers by passing resolutions at meetings of the COI. To pass a resolution, a meeting must be convened and a majority of the members of the COI must be in attendance.

A meeting is convened by the external administrator by giving notice of the meeting to the members of the COI. Meetings of the COI can be convened at short notice. The external administrator must keep minutes of the meeting and lodge them with ASIC within one month of the end of the meeting.

ASIC is entitled to attend any meeting of a COI.

What restrictions are there on COI members?

A member of a COI must not directly or indirectly derive any profit or advantage from the external administration. This includes by purchasing assets of the company or by entering into a transaction with the company or a creditor of the company. This prohibition extends to related entities of the member of the COI and a large creditor(s) that appoints a member to the COI.

Creditors, by resolution at a meeting of creditors, can resolve to allow the transaction. The member of the COI or the large creditor(s) that appoints a member to the COI is not allowed to vote on the resolution.

Where can you get more information?

The Australian Restructuring Insolvency and Turnaround Association (ARITA) provides information to assist creditors with understanding external administrations and insolvency. This information is available from ARITA's website at www.arita.com.au/creditors.

ASIC provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at www.asic.gov.au (search "insolvency information sheets").

For more information, go to www.arita.com.au/creditors.
Specific queries about the liquidation should be directed to the liquidator's office.