



ASX RELEASE

Colton Project Update

23 March 2021

On 17 October 2018, the Directors of the Company's subsidiaries, Northern Energy Corporation Limited (**NEC**) and Colton Coal Pty Ltd (**Colton Coal**), placed NEC and Colton Coal into voluntary administration. NEC and Colton Coal were subsequently placed into liquidation by creditors at a meeting on 26 July 2019.

The Company has previously announced that the Liquidators appointed to NEC and Colton have been investigating whether potential claims exist against the Company or former directors and officers of NEC and Colton. There are press reports today that the Liquidators of NEC and Colton intend to commence proceedings against the Company and certain former directors and officers of NEC and Colton in connection with alleged voidable transaction, insolvent trading, asset transfers and breaches of directors' duties, in respect of claims the Liquidators estimate to be valued at \$174.1 million plus interest and costs.

Although the Company has not been served with any proceedings, it intends to defend vigorously any proceedings that are commenced.

In 2019, the Liquidators and Wiggins Island Coal Export Terminal Pty Ltd (**WICET**) commenced proceedings against the Company asserting that the Company had guaranteed the debts of NEC and Colton Coal under a Deed of Cross Guarantee in the amount of approximately \$155 million. That proceeding was dismissed by the Supreme Court of New South Wales and the New South Wales Court of Appeal, and the High Court of Australia dismissed an application made by the Liquidators and WICET for special leave to appeal.

(ends)

For more information, please contact:

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This ASX announcement was approved and authorised for release by the Board.

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