



McGrathNicol

**McGrathNicol  
Partnership**

ABN 41 945 982 761

Level 7, 175 Eagle Street  
Brisbane QLD 4000, Australia

GPO Box 9986  
Brisbane QLD 4001, Australia

T +61 7 3333 9800

F +61 7 3333 9899

mcgrathnicol.com

**Baralaba Coal Company Limited (Subject to Deed of Company Arrangement)  
ACN 112 682 158 ("BCL" or "the Company")**

**Circular to creditors**

**5 September 2017**

I refer to the appointment of Shaun Fraser, Jason Preston and I as Joint and Several Voluntary Administrators ("Administrators") of the Company on 12 July 2017 and to our previous correspondence issued to creditors.

As anticipated, the Administrators received a final Deed of Company Arrangement ("DOCA") proposal from Liberty Metals and Mining Holdings, LLC ("LMM") and subsequently reconvened the statutory second meeting of creditors.

**Outcome of the reconvened meeting**

The reconvened statutory second meeting of creditors of the Company was held on 28 August 2017.

At the meeting, creditors of the Company resolved that BCL enter into the DOCA proposed by LMM.

The DOCA was subsequently executed on the same day and Shaun Fraser, Jason Preston and I were appointed Joint and Several Deed Administrators ("Deed Administrators") of the Company.

Please see enclosed to this letter a form 509E, formal notice to creditors of execution of a DOCA.

**Next steps**

As part of the DOCA:

- LMM will acquire the shares in Cockatiel Coal Pty Ltd ("Cockatiel Coal");
- other subsidiaries of BCL will become subsidiaries of Cockatiel Coal;
- a Creditors Trust will be established under a Creditors Trust Deed on completion of the sale agreement for the benefit of creditors of BCL; and
- the Deed Administrators will facilitate the sale and recapitalisation of the ASX listed shell of BCL to provide shareholders with an opportunity to realise value in the future.

Separate notifications will be issued to creditors when we commence the formal proof of debt adjudication process.

We will continue to provide further updates as matters progress.

In association  
with



Liability limited by a scheme  
approved under Professional  
Standards Legislation

**Advisory  
Forensic  
Transactions  
Restructuring  
Insolvency**



Creditors who wish to discuss any aspect of the above should contact Timothy Duncan of this office on (02) 9248 9913 or by email [tduncan@mcgrathnicol.com](mailto:tduncan@mcgrathnicol.com).

Dated: 5 September 2017

A handwritten signature in black ink, appearing to read 'Jamie Harris', with a long horizontal stroke extending to the right.

Jamie Harris  
*Joint and Several Deed Administrator*

**FORM 509E**

Paragraph 450B(a)

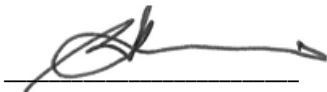
Corporations Act (2001)

**NOTICE TO CREDITORS OF EXECUTION OF A  
DEED OF COMPANY ARRANGEMENT**

Baralaba Coal Company Limited (Subject to Deed of Company Arrangement)  
("the Company")

1. Notice is given under section 450B that the Company executed a Deed of Company Arrangement on 28 August 2017.
2. A copy of the deed may be inspected at Level 7, 175 Eagle Street, Brisbane QLD 4000.

Dated 5 September 2017.



**WILLIAM JAMES HARRIS**  
**JOINT & SEVERAL DEED ADMINISTRATOR**