

Aurora Metals Ltd

(Receivers and Managers Appointed) (Administrators Appointed)

Employees | Frequently asked questions
6 July 2023

Richard Tucker, Anthony Miskiewicz and David Osborne were appointed as voluntary administrators of Aurora Metals Ltd ('the Company') and its subsidiaries on 30 June 2023 ('the Administrators'). Subsequently, on 3 July 2023, Philip Campbell-Wilson and Said Jahani from Grant Thornton were appointed as Receivers and Managers of the Company and its subsidiaries by Mt Garnet Mineral Finance Pty Ltd ('the Receivers').

Please find set out below, answers to frequently asked questions that have been raised with the Administrators and their staff as well as other common questions that are often raised by employees during administration.

Should you have any questions or would like to speak to someone from KordaMentha, please email aurorametals@kordamentha.com. We will endeavour to respond to all employee queries as quickly as possible.

I haven't been paid wages since the start of June, when will I be paid?

The Company had no cash at bank when the Administrators were appointed, and the Receivers have insufficient funds to pay outstanding wages at this time. Unpaid wages will form part of your priority claim for entitlements against the Company in administration.

When will my entitlements be paid?

At this stage we are unable to confirm when outstanding entitlements will be paid. We understand that for many employees, this is a stressful and challenging time. We will work to ensure your entitlements are paid as quickly as possible.

We understand that employees are owed approximately five week's wages. In addition, if you have been made redundant, or your position is made redundant by the Receivers, you will be entitled to be paid accrued annual leave, long-service leave, pay in lieu of notice and severance pay in accordance with the modern award, enterprise agreement or employment agreement applicable to your employment.

Depending upon the outcome of the Administration, your entitlements may be paid from the proceeds of a sale or recapitalisation of the Company's business, or if the Company is placed into liquidation, it is likely that you will need to lodge a claim with the Commonwealth Government Department of Employment and Workplace Relations ('DEWR') to access the Fair Entitlement Guarantee Scheme ('FEG'). If you need to lodge a claim with FEG, we will guide you through that process and provide you with the information required to lodge a claim.

Further information on FEG can be found at www.dewr.gov.au/fair-entitlements-guarantee.

What is FEG?

In the event that the Company is placed into liquidation, you will have access to FEG, which is a legislative safety net scheme operated by the Commonwealth Government for employees of insolvent entities. If the Company that employs you has been placed into liquidation and there are insufficient assets to satisfy outstanding employee entitlements, employees may now lodge a claim for their outstanding entitlements with FEG.

- Under the scheme, you may be able to claim for amounts owing under wages, annual leave, long service leave, payment in lieu of notice and redundancy. However, please be advised that FEG does not make payment for any unpaid superannuation contributions.
- The eligibility of each claim is determined by FEG in conjunction with information provided to them by the Liquidators.
- Please note that you must be a Permanent Resident of Australia to lodge a claim with FEG.

Details on the FEG scheme can be found at: Fair Entitlements Guarantee (FEG) | Attorney-General's Department (ag.gov.au)



<https://www.dewr.gov.au/fair-entitlements-guarantee/feg-fact-sheets>

How can I obtain a separation certificate

If you require a separation certificate or require assistance from the Administrators to progress your application for financial benefits through Centrelink, please email your full name and contact details to aurora@kordamentha.com.

Am I allowed to take my RDOs?

At this stage, RDO's are a pre-appointment entitlement and will form part of your claim against the Company. Accordingly, you will not be able to take your existing RDO's during the administration period.

I have not been made redundant. Do I continue to turn up to work?

Yes. Unless the Receivers advise you that your role has been made redundant, you continue to be employed by the Company. Your wages from 30 June 2023 will be paid by the Receivers.

If I quit, am I still entitled to redundancy pay?

No. If you resign, you will be entitled to claim for outstanding wages and any leave accrued as of 29 June 2023. However, you will not be entitled to claim redundancy or pay in lieu of notice.

I am a casual employee. Am I entitled to redundancy payments?

As a casual employee, you are not entitled to redundancy, annual leave, or sick leave.

I have been made redundant and was told I need to work out my notice period. Should I continue to turn up for work?

We are aware that some employees have been made redundant and were either asked to work their notice period or told to serve their notice period as 'garden leave' (that is, not turn up to work).

If you continued to perform your normal duties during your notice period and turned up to work, you will be paid for that work from 30 June 2023.

We are yet to obtain all information on the status of employee communication and redundancy announcements made prior to our appointment. Unless you have been asked to continue working, any notice pay will form part of your claim against the Company in administration. If you are unsure whether you are required to continue working, please speak to your manager who will be best placed to confirm work requirements with the Receivers.

I am continuing to work for the Company, can I take leave?

Whether continuing staff can take leave is a decision for the Receivers. Accrued leave balances as at 30 June 2023 form part of your claim against the Company. The Administrators and Receivers are only liable for leave entitlements that accrue from 30 June 2023. As such, any approved leave will be unpaid (except for any leave balances that accrue from 30 June 2023).

What is the priority for employee entitlements?

Employees, other than directors or their related persons, have a statutory priority of payment in respect of outstanding entitlements. Your entitlements rank ahead of all other unsecured creditor claims.

How can I attend the first meeting of creditors?

You will have received an Initial Information for Creditors and Employees letter pack from KordaMentha on 5 July 2023.

All employees are entitled to attend and vote at First Meeting of Creditors, you can attend virtually or nominate a proxy on your behalf. Details of this is covered in the Initial Information to Employees.



I'm an employee and I haven't received the Initial Information Letter pack?

Please email aurorametals@kordamentha.com if you are an employee and have not received correspondence from us. We will try to respond as quickly as possible.

Where can I go if I need support to help me work through this situation?

The Administrators encourage any employees that are finding it difficult to cope with the news and situation to reach out to:

- Friends and family
- Beyond Blue – 1300 224 636
- Lifeline – 131 114.