



Aerison Pty Ltd and its related entities (All Administrators Appointed) ('the Group')

Supplementary Report by Administrators

15 September 2023

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Important notice

We, Richard Tucker, John Bumbak and Craig Shepard, were appointed as Administrators of Aerison Group Ltd ('the Group') on Tuesday, 6 June 2023 pursuant to Section 436A of the Corporations Act 2001 (Commonwealth) ('the Act').

The First Meetings of Creditors for the Group were held on Thursday, 15 June 2023.

The Second Meetings of Creditors was held on 31 August 2023 and reconvened on 4 September 2023. At the reconvened Second Meetings of Creditors, creditors voted in favour of the PIC DOCA.

The Administrators have made an application to the Supreme Court of Western Australia seeking orders to have Further Meetings of Creditors on 22 September 2023 to determine whether:

- the Group to execute a Deed of Company Arrangement ('DOCA');
- to bring the Administration to end, or
- the Group to be wound up.

These alternatives are explained later in the report.

Steps required to participate in the meeting

To participate in the meetings, you will need to:

- Submit a proof of debt (Appendix A) and information to substantiate your claim for each company where you are a creditor – those creditors who have already lodged a Proof of Debt are not required to lodge a further proof (unless they wish to amend their claim).
- Appoint a person – a 'proxy' (Appendix B) – to vote on your behalf at a meeting for each company where you are a creditor. This will be necessary if you are unable to attend a meeting in person or virtually, or if the creditor is a company.
- If you are an individual, such as an employee or a sole trader, and are attending virtually, complete the zoom registration process as per the notice of meeting (Appendix C).
- All creditors must complete the zoom registration process to attend the meeting virtually as per the notice of meeting (Appendix C).

Meeting details

Location	Virtual meeting only – no in-person attendance will be allowed
Date	Friday, 22 September 2023
Time	11.00 am (AWST)
Due time and date for proof of debt and proxy form	11.00 am (AWST) on the last business day prior to the meeting, being Thursday, 21 September 2023.

1 Introduction

We refer to our report to creditors dated 24 August 2023 ('the Report') and our supplementary report dated 31 August 2023 ('Supplementary Report'). Defined terms in this report have the meaning set out in the Report unless stated otherwise.

The purpose of this supplementary report is to provide an update of matters that have occurred since the Report and Supplementary Report were issued.

2 Update

Creditors of the Pooled Companies approved entering a Deed of Company Arrangement with PIC at meetings of creditors held on 4 September 2023.

Following the meetings of creditors, we worked with PIC to:

- Transition trading supervision to PIC
- Agree a fulsome DOCA
- Work through conditions precedent of the DOCA.

On 8 September 2023, the DOCA was in a position where it was largely agreed and ready to be signed. On 10 September 2023, PIC advised the Administrators that they may not proceed with the DOCA, and on 12 September 2023, PIC formally notified the Administrators that they would not proceed with the PIC DOCA proposal as a result of a number of factors.

On 14 September 2023, the Administrators signed a term sheet with Applied Pollution Control Pty Ltd trading as APCINFRA. Further details of this proposal are provided in section 3.

3 DOCA proposal

3.1 Key features of proposed Deed of Company Arrangement

A DOCA proposal has been put to the Administrators by Applied Pollution Control Pty Ltd trading as APCINFRA (ACN 608 138 585) ('Proponent'). The key features of the Proponent's DOCA are set out below:

1. The DOCA being proposed is a pooled DOCA with the following Aerison companies being parties to the DOCA:
 - a. Aerison Holdings Pty Ltd
 - b. Aerison Pty Ltd
 - c. Aerison EPC Pty Ltd
 - d. Aerison Services Pty Ltd
 - e. Aerison Mechanical and Electrical Technology Pty Ltd
 - f. Aerison Energy Services Pty Ltd(collectively 'Pooled Companies').
2. Aerison Group Limited is not a party to the DOCA and is referred to as 'the Excluded Company'.
3. The DOCA proposal requires the transfer of 100% of the shares in the wholly owned subsidiaries of the Pooled Companies to the Proponent (or its nominees).
4. A Creditors' Trust is to be established to expedite exit from Voluntary Administration and for creditors of the Pooled Companies to receive a distribution of funds.
5. The incumbent Administrators - Richard Tucker, Craig Shepard and John Bumbak - become the Deed Administrators and upon satisfying the DOCA terms and conditions, the Deed Administrators become the Trustees of the Creditors' Trust. The Trustees' fees and expenses to be met from the Creditors' Trust and they will be responsible for assessing and admitting the claims of the beneficiaries.
6. Secured parties consent to release all claims against the Pooled Companies and discharge their security interest against the Pooled Companies on effectuation of the DOCA (except as they relate to certain leased equipment).
7. A significant number of employees will retain employment with the Pooled Companies on the same terms and conditions and their entitlements will be preserved and honoured by the Pooled Companies in the ordinary course of business.
8. The Proponent will pay the following consideration totalling up to \$5.080 million ('DOCA Contribution'):

- a. \$2.68 million cash contribution
 - b. up to \$2.4 million payment to reflect 60% of work in progress value
9. A Creditors' Trust will be established and the trust fund ('Trust Fund') to be held by the Trustees will comprise the following property ('Available Property'):
 - a. DOCA Contribution.
 - b. Any debtors, other receivables and retentions owing to the DOCA Companies arising from the pre-appointment and voluntary administration period (excluding WIP and bank guarantees)
 - c. Proceeds realised from the Roy Hill Claim.
 - d. Cash held by the Administrators.
 - e. All tax refunds arising from pre-appointment and voluntary administration periods.
10. The Trust Fund is to be distributed in the following order of priority:
 - a. First, to the Administrators/ Deed Administrators/ Trustees for their professional fees, trading costs, expenses, legal fees and any amounts outstanding on the Administrators' loan from Avior.
 - b. Second, to terminated employees who have outstanding entitlements as priority creditors pursuant to Section 556(1)(a) of the Act, such that they are paid out in full.
 - c. Third, to the Commonwealth Bank of Australia as a secured creditor.
 - d. Fourth, to all other creditors.
11. The DOCA and Creditors' Trust provide for claims of creditors being pooled which provide all creditors of the Pooled Companies with direct access to the assets available in the Trust Fund.
12. On meeting the following conditions precedent, the Available Property will be transferred to the Trust Fund:
 - a. Creditors approve the DOCA proposal at the Meetings of Creditors
 - b. DOCA and Creditors Trust Deed to be executed by all parties.
 - c. The Proponent to pay the DOCA Contribution to the Creditors' Trust.
 - d. the Deed Administrators procuring: (i) the transfer of all of the shares of the Companies to the Proponent or the Proponent's nominee
 - e. Consent of secured creditors to the change of ownership and to release and discharge of security interests.
 - f. Resignation or removal of directors of the Pooled Companies and appointment of new directors.
 - g. Consent of key customers for continuation of contracts.
 - h. the Deed Administrators to provide key contacts for each material contract
 - i. the counterparties of the certain lease agreements agreeing to the variations of the lease agreements
 - j. confirmation of the updated position on customer orders, cashflow forecast and purchase orders of the Companies prior to effectuation
 - k. The Administrators, Proponent and Pooled Companies to execute a Claim Management Agreement in respect of the Roy Hill Claim.
 - l. the parties agreeing the WIP liabilities, WIP adjustments and the replacement of and issue of the new Purchase Orders as required
 - m. all licences and licensing agreements are transferred from the AGL entity to the Proponent
 - n. Change Aerison Group Limited's name to its ACN.
 - o. the working capital facility of the Proponent is finalised; and
 - p. the signature by the parties of the Deed of Company Arrangement and any other customary documents on the terms agreed by the parties to give effect to the terms of this Term Sheet.
13. The Proponent has provided the Administrators with proof that funds for the upfront contribution to the DOCA is held in an account, and the Proponent is ready, willing and able to proceed with the DOCA Contribution if the DOCA is approved at the Meetings of Creditors.
14. Trust creditors accept the terms of the DOCA and Creditors' Trust Deed in full satisfaction and complete discharge of their debts.
15. The DOCA also incorporates the standard terms and provisions which are described in the Act and deal with the following:
 - a. Administrators deemed agents of the Group
 - b. Powers of the Administrators

- c. Termination of the DOCA where the arrangement fails
- d. Priority
- e. Discharge of Debt
- f. Claims extinguished
- g. Bar to creditors claims
- h. Making claims
- i. Meetings
- j. Committee of Inspection
- k. Termination of DOCA where arrangement serves purpose.

A copy of the DOCA will be uploaded to the KordaMentha website prior to the Meetings of Creditors.

3.2 Creditors' Trust

3.2.1 Overview

A creditors' trust is a mechanism for the distribution of a fund to creditors of a company, which accelerates a company's exit from external administration. A trust is formed for the benefit of the relevant creditors, and the trust funds (usually contributed by the proponent of the DOCA) are paid to the trust for distribution to creditors (as beneficiaries of the trust) in accordance with a trust deed.

A creditors' trust is an arrangement pursuant to the Trustees Act 1962 (WA) rather than the Act.

The DOCA proposal requires the use of a creditors' trust and the DOCA as proposed will not proceed without a creditors' trust. The key aspects of the proposed creditors' trust ('the Creditors' Trust') are detailed below.

We do not believe creditors will be prejudiced by the use of a creditors' trust, as:

- The DOCA and Creditors' Trust result in a better return for creditors of the Pooled Companies than would be possible in a winding up.
- The terms of the DOCA and Creditors' Trust protect the interests of creditors against the risk that can be associated with creditors' trusts. These risks are discussed further below.

The involvement of a creditors' trust creates some complexity for the Administrators (who will be required to act in a trustee capacity) and for creditors. Although many of the operative provisions of the Act will be incorporated into the Trust Deed (so as to minimise the effect of the change in legal structure being utilised), creditors' rights under the Creditors' Trust will not be 'statutory rights' under the Act, and will instead be rights under the Trustees Act 1962 (WA) and in equity.

It is not anticipated that this will create any particular difficulties in this instance, as the objectives of the Creditors' Trust are fairly straightforward. Further, the DOCA and Creditors' Trust provide rights and processes that are at least as favourable to the beneficiaries as the processes and rights of creditors under the Act. However, creditors' rights are being fundamentally transformed and creditors should take this into account in assessing the merits of the DOCA proposal.

Creditors should seek legal advice prior to the Meetings of Creditors if they are in any doubt as to what the inclusion of the Creditors' Trust means for them.

3.2.2 Key aspects of the Creditors' Trust

We have set out below the key aspects and consideration for creditors relating to the Creditors' Trust. This information is consistent with the information required to be made available to creditors where a DOCA provides for the use of a creditors' trust, as detailed in ASIC Regulatory Guide 82, entitled 'External Administrations: Deeds of company arrangement involving a creditors' trust' (Reissued in December 2018). A copy of the guide can be downloaded from the ASIC website at www.asic.gov.au or is available from our office upon request.

Issue	Comments
Reasons	• The DOCA proposes the use of the Creditors' Trust in order that claims against the Pooled Companies are discharged and provides for a more expedited process.

Issue	Comments
	• Creditors will be dealt with via the Creditors' Trust, whilst control and management of the Pooled Companies will be transferred to the newly appointed directors on effectuation of the DOCA, which will allow the Pooled Companies to exit external administration sooner. • The Trust Fund is to be sourced from the DOCA Contribution which without the Proponent's support will not be achieved, the Creditors' Trust will not be established, and the Pooled Companies will likely be placed into liquidation and there will an inferior return to creditors. For these reasons, we consider the use of a creditors' trust is in the interests of creditors as a whole. We confirm: • we do not believe creditors will be disadvantaged using a creditors' trust • the DOCA and Creditors' Trust provide rights and processes that are at least as favourable to the beneficiaries as the processes and rights of creditors under the Act • we do not believe the use of a creditors' trust in either instance is inconsistent with the policy objectives of Part 5.3A of the Act or public interest • the Trustees of the Creditors' Trust will be the current Administrators, which will give them oversight of the obligations created by the Creditors' Trust.
Key events	The following are the key events associated with the approval and implementation of the DOCA and Creditors' Trust: 1. Creditor approval of the DOCA. Subject to court approval, the Meetings of Creditors will be held on 22 September 2023 and the DOCA will be voted on at that meeting. If approved by 50% of creditors in value and number, the DOCA will be binding on creditors. 2. Consent of secured creditors. CBA and Octet hold various security over the Group's assets. 3. Execution of the DOCA. Should the DOCA be approved by creditors, the DOCA is to be executed within 15 days of that meeting. We expect the DOCA will be executed (subject to creditors' approval of the DOCA) shortly after the Meetings of Creditors. 4. Effectuation of the DOCA: Effectuation of the DOCA will occur when the conditions outlined in Section 3.1 have been satisfied. 5. Creation of Creditors' Trust: All claims will be extinguished in full against the Pooled Companies, all claims will be extinguished against the Administrators, and the Creditors will be entitled to participate as beneficiaries under the Creditors' Trust. 6. Adjudication of claims of creditors and distribution of the Trust Fund to creditors: The expected return and timing of return to creditors is discussed in Section 4 of this report. In the event the DOCA is not effectuated, the DOCA will terminate, and the Pooled Companies will be placed in liquidation.
Return to creditors	Refer to Section 4 of this report, which sets out the estimated return to creditors from the DOCA and Creditors' Trust and estimated timing.
Trustee particulars	It is proposed that the Administrators/Deed Administrators will become the Trustees of the Creditors' Trust. The Administrators are registered liquidators and have the relevant skills and experience to perform the required duties and functions. The Administrators consider that there is no conflict of interest in them acting as trustees and that they have adequate civil liability insurance (including professional indemnity and fidelity) that will cover conduct by them in their capacity as trustee of the proposed trust. Full details of our experience, qualifications and credentials can be found at www.kordamentha.com or from this office upon request.
Remuneration and expenses	The remuneration and expenses of the Deed Administrators and Trustees is discussed in Section 9.1 of the Report. The Creditors' Trust will provide or payment of the following remuneration and expenses from Trust Funds in priority to any distribution to creditors: 1. Any approved remuneration and expenses owing to the Deed Administrators and the Administrators which remains unpaid as at the date of the DOCA being terminated and the Creditors' Trust coming into effect. 2. Remuneration and expenses due to the Trustees. The Trustees' remuneration will be based on the hours spent by the Trustees, calculated in accordance with the schedule titled KordaMentha Rates – National – FY2024, which is enclosed as Appendix D of this report.

Issue	Comments
	We have estimated the remuneration of the Trustees to be \$200,000 and expenses of the Trustees to be \$50,000 (assuming a settlement is reached with Roy Hill outside of litigation. Should litigation be necessary, this amount will be higher). This estimate assumes that the adjudication of creditor claims does not require litigation or protracted negotiations, and that the distributions from the Trust Fund occur in the timeframes proposed. It is not possible to estimate the quantum of the Trustees fees which may otherwise be incurred. The abovementioned Trustees' remuneration does not include the time to be spent in dealing with the Roy Hill claim. The time and cost spent by the Trustees will be recorded separately by the Trustees and the Trustees will seek approval from Creditors prior to payment of said fees. We do not consider that additional remuneration will be incurred as a result of the use of the Creditors' Trust, compared with the position if the DOCA Companies remain subject to a DOCA. In a DOCA, the approval of the Deed Administrators' remuneration is subject to provisions of the Act which require that the remuneration be approved by resolution of creditors or agreed by the Committee of Inspection or by the Court and which allow – where remuneration is agreed by the Committee of Inspection or approved by resolution of creditors – for a creditor (among other parties) to apply to the Court to review the remuneration. On such an application, the Court must have regard to whether the Deed Administrators' remuneration is reasonable with regard to a list of specified criteria in Section 60-12 of Schedule 2 of the Act and the Court can affirm, vary or set aside the Deed Administrators' remuneration. There is no equivalent statutory procedure in the Trustees Act 1962 (WA) pursuant to which beneficiaries, a committee of creditors or the Court must agree or approve the Trustees' remuneration.
Indemnities	The Trust Deed will provide that the Trustees are entitled to be indemnified out of the trust property: for their remuneration and liabilities incurred by them, or claims made against them, in their capacity as Administrators or Deed Administrators of the Pooled Companies and in their capacity as Trustees of the Trust Fund. Accordingly, remunerations and expenses of the Trustees, and costs associated with any legal actions that are required to be defended or taken, will be a cost of the Trust Fund. These remunerations and expenses may diminish the return to creditors. No other indemnity has been or is to be provided to the Trustees by any related or third party.
Powers	The Trust Deed provides that the Trustees will have the power to (amongst other things): 1. Administer the Trust in accordance with the provision in the DOCA. 2. To ensure the duties and obligations of the Pooled Companies and the Deed Administrators to the Trustees under the DOCA are fulfilled, and to take such legal proceedings or other steps as the Trustees thinks fit to enforce those obligations 3. Adjudicate and admit claims 4. To make interim or other distributions of the Trust Funds in accordance with the provisions of this deed and as contemplated by the terms of the DOCA; 5. To appoint a solicitor, accountant or other professionally qualified person to assist the Trustee in administering this deed; 6. To compromise any Claim on such terms as the Trustees consider fit. The Trustees may exercise their rights and comply with their obligations under the Creditors' Trust in any manner they think fit. A deed administrator is governed by the Corporations Act whilst a trustee is governed by the Trust Deed and the Trustees Act 1962 (WA). There are unlikely to be any deficiencies in the power of the Trustees to perform their limited functions, which may lead to applications to Court.
Claims	The claims which will be adjudicated and paid via the Creditors' Trust, and the priority of payment of claims, are discussed in Section 3.1 of this report. We confirm the priority of payment is consistent with the priorities set out in Section 556 of the Act. The Trust Deed will provide that the Trustees, and not the Deed Administrators, will adjudicate upon proofs of debt received from creditors, whether received by the Trustees, the Voluntary Administrators or the Deed Administrators. For the purpose of calling for and adjudicating creditors' proofs, and payment of dividends, the Trust Deed stipulates that the relevant sections

Issue	Comments
	of the Act which would apply in a liquidation will apply to the Creditors' Trust (with certain modifications as are necessary). The Trustees will have access to the books and records of the Pooled Companies necessary to determine claims, including any proofs submitted to the Deed Administrators or Voluntary Administrators. However, in respect of appeal relating to the rejection of a claim, the Creditors' Trust provides for a slight difference from the Act. Specifically, any appeal to the Trustees' decision to reject a claim of a creditor must be made within 14 days of the Trustees giving notice of rejection, or such longer period as the Trustees permit. In a liquidation, the Act (Regulation 5.6.54(1)(b)(i)) stipulates that the appeal must be made within 14 days of the liquidator giving notice of rejection, or such longer period as the Court permits. We do not consider that this minor difference will have a material adverse effect on creditors.
Other creditor/beneficiary differences	• A DOCA is an arrangement made under the Act, and the Act includes provisions which regulate the DOCA, the Administrators of the DOCA and give creditors certain rights. • A creditors' trust is an arrangement pursuant to the relevant Trustee Act, which dependent on the state in which the trust is created. In this case, the relevant trustee act is the Trustees Act 1962 (WA). • This different underlying legislative framework gives rise to a number of differences for creditors where a creditors' trust is implemented compared to a DOCA. These differences are discussed below: • <u>Trustee powers and duties</u> – as noted above, the powers and duties of the Trustees are set out in the Trust Deed, and for Deed Administrators in the Act, including Schedule 2, and the Rules. As noted earlier, the draft Trust Deed has incorporated many of the provisions included in the Act relating to DOCAs, and on this basis, we do not believe there will be any material difference for creditors. • <u>Ability of beneficiaries (individually and collectively) to monitor and enforce compliance by the relevant parties connected with a creditors' trust</u> - This includes the rights that beneficiaries would have (and against whom) if any part of the trust fund is not paid to the Trustees in accordance with the Proposed DOCA, trust deed or other aspect of the arrangements – the terms of the DOCA and Creditors' Trust are such that the DOCA will not terminate and the Creditors' Trust will not come into effect until all assets forming the Trust Fund are available to be transferred to the Trust. • <u>Ability to be informed</u> – In a DOCA, creditors have rights to require the Deed Administrator to provide information to creditors. The Trust Deed provides the same rights for creditors (by incorporating the relevant sections of the Act, including Schedule 2, and the Rules relating to creditors' rights to information). In a DOCA, the Deed administrator is required to lodge accounts of receipts and payments relating to the DOCA with ASIC on an annual basis. There is no requirement or ability of a trustee to lodge accounts with ASIC. The Trust Deed requires the Trustee to report to creditor prior to convening a meeting to terminate the Trust and this report will include a summary of receipts and payments. • <u>Ability to require meetings of creditors</u> - In a DOCA, creditors have rights to require the Deed Administrators to call a meeting of creditors. The Creditors Trust will provide the same rights for creditors (by incorporating the relevant sections of the Act, including Schedule 2, and the Rules relating to creditors' meetings). • <u>Ability to apply to court, including to vary or terminate a DOCA, and to challenge decisions of the Administrator</u> - In a DOCA, creditors have rights to apply to the court to vary or terminate the DOCA or seek other remedies. The use of a creditors' trust results in the loss of court supervision under the Act. Although courts can still provide relief under the general law of trusts, the safeguards available to creditors under Pt 5.3A of the Act are no longer available. • <u>Ability to terminate or vary</u> - We cannot foresee circumstances where the Creditors' Trust would need to be terminated or varied, as the entirety of the Trust Fund is to be paid before the termination of the DOCA and the only role of the Creditors' Trust is to adjudicate on claims and make distributions to creditors. • <u>Ability to complain about the conduct of the Administrators/Trustees</u> - Beneficiaries of the Creditors' Trust will have the same ability to complain about the conduct of the Trustees to ASIC as they would in a DOCA, as the Trustees are registered liquidators. We do not consider that these differences will have a material adverse effect on creditors.
FEG	As the Pooled Companies will not be placed into liquidation, the employees will not be able to access FEG.

Issue	Comments
Compliance opinion	Based on our investigations there is nothing to indicate that the DOCA proponent will be unable to comply with its obligations under the DOCA.
Solvency statement	The terms of the proposed DOCA provides that, upon effectuation, all pre-appointment claims against the Pooled Companies (excluding employees' accrued entitlements) will be extinguished in full and transferred to the creditors' trust. Accordingly, the only liabilities vesting with the Pooled Companies will be accrued employee entitlements, which will only crystallise on termination of employees. Therefore, the Pooled Companies will be solvent on effectuation of the DOCA.
Tax (company/trust)	We do not believe there will be any material change to the funds available for distribution as a result of a Creditors Trust structure, or that any taxation, capital gains or stamp duty liabilities will arise.
Tax (creditor/beneficiary)	There may be some implications for creditors as a result of receiving a distribution from a trust in respect of a bad or doubtful debt, rather than from the debtor company being administered under a DOCA. Creditors are advised to seek their own tax advice as to their particular tax position – the Administrators are unable to provide advice on this issue.
Other	No other material aspects or implications have been identified at this stage. Given the complexity of a Creditors' Trust, we recommend that all creditors consider seeking legal, accounting and taxation advice as to the nature and effect of the Creditors' Trust and the impact that the Creditors' Trust will have on their affairs.

3.2.3 Risks of a Creditors' Trust

The potential risks and disadvantages of a creditors' trust compared to a company remaining subject to a DOCA are set out in the table below, along with the Administrators' views on their potential application for the Group. The Administrators note that the limited role of the Trustees under the Creditors' Trust is to adjudicate claims and distribute the Trust Fund. In those circumstances, and for the reasons set out below, the Administrators do not consider that any potential risks associated with the proposed Creditors' Trust will have a material adverse effect on creditors of the Pooled Companies:

Potential risks	Administrators' comments
Creditors' claims against a company may be extinguished before all or some of the trust funds are received by the trustee	In the case of the Creditors' Trust, this will not occur as the DOCA cannot terminate until all the Trust Funds have been received. On this basis, this risk has been mitigated.
Creditors' claims against a company may be extinguished before creditors of the Group have received any payment in respect of outstanding debts	Creditors' claims will be extinguished before any payment is made, however we do not believe this creates a significant risk for creditors given the total value of the Trust Fund will be fully paid before the DOCA is effectuated, and due to the terms of the Trust Deed, which sets out the payment of funds from the Creditors' Trust.
Creditors forgo their statutory rights to seek the assistance of the Court including the right to seek orders to terminate or vary the DOCA and to appeal against the valuation of claim. The risks associated with this are greatest where the DOCA terminates and the creditors' trust commences immediately on execution of the DOCA	In this case, the DOCA is likely to be on foot for 4 months whilst the conditions for effectuation are being satisfied and any aggrieved creditor will have an opportunity to avail itself of these statutory rights during that period. Notwithstanding this, we do not believe creditors' interests will be materially prejudiced.
Creditors may agree to the DOCA proposal without being aware of the implications of a creditors' trust	This report provides disclosure of material information about the DOCA and the Creditors' Trust. A copy of the proposed DOCA and Trust Deed.
The additional complexity of the legal and documentary arrangements needed to support the use of a creditors' trust under a DOCA	The DOCA and Trust Deed have been prepared and reviewed by the Administrators and their advisers, and by the Purchaser and its advisers, all of whom have experience in dealing with DOCAs and creditors' trusts. We do not believe the complexity of documentary arrangements presents a risk to creditors.

Potential risks	Administrators' comments
The trustee's identity, skills, remuneration and insurance arrangements	These factors are addressed in this report. For the reasons set out, we do not believe the Trustees' identity, skills, remuneration and insurance arrangements present a risk to creditors.
Non-uniformity of the State and Territory Trustee Acts governing trusts and trustees	The Creditors' Trust will be governed by the Trustees Act 1962 (WA). We do not believe the application of this act presents a risk to creditors.
Differences in the ways trustees and registered liquidators are regulated and supervised which may cause potential difficulties for ASIC and creditors to monitor and enforce proper conduct of the trustee	In a DOCA, creditors have the right to seek ASIC or court assistance under the Act. In a creditors' trust, the creditors (as beneficiaries) would not have those statutory rights and instead would have rights under the Trust Deed, in law or in equity. However, as the proposed Trustees are registered liquidators, creditors will still be able to seek assistance from ASIC and the supervisory jurisdiction the Court has over trustees. Accordingly, we do not believe this difference creates a material risk for creditors.

4 Estimated returns to creditors

4.1 Pooled Companies

The Administrators have assessed the estimated returns to creditors under the scenario where the Pooled Companies execute the DOCA proposal and the alternative scenario where the Pooled Companies enter liquidation.

Below is a summary of the estimated returns to creditors under these two scenarios. We have presented the Liquidation scenario on a consolidated basis for all Pooled Companies given there is a deed of cross guarantee across all companies in the Group, in which each company within the Group guarantees the debts of each other.

The summary includes an estimate of the c/\$ return to each class of creditor with a detailed calculation of estimated returns to creditors included in Appendix E. The position set out below is based on the Administrators' assessment of claims received to date, and the final return to each class of creditor will ultimately depend on the adjudication of all proofs of debt and recovery of relevant funds:

Estimated returns to creditors (c/\$)	DOCA		Liquidation	
	Low	High	Low	High
<i>Secured Creditors:</i>				
CBA	14.4	100.0	6.7	100.0
Asset Insure	-	100.0	-	100.0
<i>Employees:</i>				
Continuing employees	Continuing	Continuing	N/A	N/A
Outstanding superannuation and wages	38.9	100.0	-	100.0
Annual leave and long service leave	-	100.0	-	100.0
Redundancy and PILN	-	100.0	-	100.0
Unsecured creditors	-	31.6	-	8.0

4.1.1 Key assumptions on returns to creditors

- We are unable to comment on the merits of the Roy Hill Claim to provide an estimated value realisable due to legal privilege and commercial sensitivity. On that basis we have presented the 'Low' scenario to only reflect proceeds received from the DOCA proposal and the 'High' scenario assumes full recovery of the Roy Hill claim less costs.
- Timing of the final distribution to creditors under both the Pooled DOCA scenario and Liquidation scenario is dependent on the resolution of the Roy Hill claim. This is difficult to predict with certainty at this point.

4.1.2 Specific comments on returns to certain creditors

Secured Creditors

Under the high scenario, secured creditors are estimated to recover the full amount of their claims.

- Under the low scenario, CBA is estimated to recover \$3.4 million (plus continuation of finance leases) from the DOCA scenario compared to \$1.6 million from the Liquidation scenario, with the variance attributable to the recoverability of bonds through the Pooled Companies continuing to operate out of DOCA, and part repayment of CBA's Section 560 loan to pay wages for employees of Pooled Companies prior to the appointment of Administrators.
- Asset Insure has security over certain proceeds from the Roy Hill Claim and recovery of this is therefore dependent on the outcome of the Roy Hill Claim.

Employees

- Under the DOCA scenario a high proportion of employees will retain their employment, meaning their entitlements (excluding superannuation) will be preserved in the DOCA and remain a liability of the Deed Companies post effectuation of the DOCA. This avoids claims of c. \$4.4 million crystallising in liquidation.
- Total superannuation outstanding to employees of the Pooled Companies at appointment was c. \$0.9 million. Under the DOCA proposal we estimate 39c/\$ of this will be available to be paid from DOCA proceeds. The balance outstanding will be paid out of proceeds from the Roy Hill Claim (depending on the settlement amount and priorities). Under a liquidation scenario, all outstanding superannuation at appointment would need to be met from proceeds of the Roy Hill Claim.
- Under both the DOCA and Liquidation scenarios, annual leave, long service leave, redundancy and PILN will need to be paid from proceeds of the Roy Hill Claim. For the DOCA scenario, these entitlements will only need to be paid to employees who are not being retained by the Proponent of the DOCA.
- In the event there is no recovery from the Roy Hill Claim in a Liquidation scenario, employees will be able to access FEG for their entitlements. Although FEG enables payment in a Liquidation scenario (subject to usual eligibility requirements), we note FEG does not necessarily cover all entitlements, and, in particular, does not cover outstanding superannuation or bonus payments. Under a liquidation scenario we estimate c. \$2.9 million in entitlements would not be covered by FEG.

Unsecured Creditors

Dependent on resolution of the Roy Hill claim, unsecured creditors are expected to receive up to 31.6c/\$ in the DOCA 'High' scenario and 8.0c/\$ in the Liquidation 'High' scenario. We do not expect unsecured creditors to receive a dividend under both 'Low' scenarios.

4.1.3 Timing

Timing of final distributions from proceeds from the Roy Hill Claim will be dependent on how the dispute is resolved. This is difficult to predict with certainty at this point. If the Roy Hill Claim proceeds to a final judgement, including the potential for appeals, it could take two to three years. If the Roy Hill Claim is resolved via a commercial settlement, we would expect a settlement would likely occur within 6-12 months.

5 Alternatives available to creditors

5.1 Explanation of alternatives available to creditors of Pooled Companies

It is our obligation to make a recommendation to creditors on which alternative is in the best interests of creditors. Our recommendation is based on what is in the best interests of creditors with regard to repaying their existing debts and must also ensure that those creditors who have an ongoing relationship with the Group are comfortable in their dealings with the Pooled Companies.

We make the following general comments in respect to each option:

5.1.1 Deed of Company Arrangement

The proposed DOCA put forward by APC provides for a continuation of the business. As Deed Administrators, we will continue to supervise the affairs of the Group after execution of the DOCA. The terms of the DOCA will provide that the Deed Administrators will not be liable for any debts incurred by the Pooled Companies upon execution of the licence agreement.

5.1.2 Bringing the Administration to an end

Creditors may consider ending the Administration and returning the Pooled Companies to the existing directors. The directors would resume control of the assets and be able to deal with them as they deem appropriate. This is not a viable proposition given the Group's insolvency.

5.1.3 Winding up the Group

At the Meetings of Creditors, creditors may resolve that any of the Companies be wound up. Should they do so, that Company will be placed into liquidation and the Company is taken to have nominated us as the Administrators to be the Liquidators, if the creditors do not nominate a person to be the Liquidator. The Liquidators are required to realise and distribute the assets in accordance with Section 556 of the Act (subject to Section 545 of the Act) and will also be required to complete a thorough investigation into the Group's past dealings and affairs, and the past actions of the directors.

The effects of the liquidation of the Group include:

1. the moratorium available under the Voluntary Administration process will cease
2. the Liquidators will be empowered to recover potential voidable transactions, as outlined in this report
3. the Liquidators will be required to conduct an investigation into the affairs of the Group pursuant to Section 533 of the Act and lodge a report with the ASIC in respect of the same.

Placing the Pooled Companies into liquidation would result in cessation of trade of the business and employees of the Pooled Companies would need to be terminated. We also do not consider there would be any return to employees or unsecured creditors of the Pooled Companies from assets available other than proceeds from the Roy Hill Claim. Therefore, we do not believe that this is a viable alternative for creditors.

5.1.4 Adjournment of Meetings of Creditors

The Administrators do not consider there is any benefit in creditors adjourning the Meetings of Creditors as a comprehensive sale process for the Pooled Companies has been undertaken and adjourning would only likely increase costs to the detriment of the business and creditors.

5.2 Recommendation for Pooled Companies

It is our opinion that it would be in creditors interests for each Company of the Pooled Companies to execute a DOCA. It is not in creditors interests to wind up the Pooled Companies or to bring the Administrations to an end. As detailed in the financial analysis of the alternatives (see Section 4), the DOCA will result in a better return to creditors than if the Pooled Companies were liquidated.

5.2.1 Reasons for recommendation

The reasons for our recommendation are as follows:

1. The aim of a DOCA is to provide a better return to creditors than liquidation or to maximise the chances of a company, or as much as possible of its business continuing. In this regard, the DOCA allows for the Pooled Companies to continue as a going concern and continue employment of the majority of employees.
2. The DOCA preserves the employment of continuing employees of the Pooled Companies and avoids the crystallisation of termination liabilities and leave entitlements, which may not be paid in full in liquidation and potentially need to be recovered via FEG. Although FEG might enable payment of entitlements in a liquidation scenario of some or all employee claims, we note that FEG does not cover all entitlements (in particular superannuation and bonus payments).
3. The future of the Pooled Companies in a winding up scenario would result in the business being shut down and termination of all employees.
4. The continued trading of the Pooled Companies under a DOCA enables suppliers (who may also be trade creditors of the Pooled Companies) to obtain the benefits of future trading of the business compared to a liquidation scenario where the business would be shut down.
5. Bringing the administration to an end will return the Group to the control of the directors in circumstances which will not have materially changed from the point at which those same directors resolved to appoint voluntary administrators.
6. Placing the Pooled Companies into liquidation will result in a lower return being available to creditors than under the proposed DOCA.
7. In our opinion, it is not in creditors' interests for the Pooled Companies to be wound up as the DOCA proposal meets the objectives of the Administration provisions of the Act in that:
 - i. the DOCA proposal has maximised the chance of the Pooled Companies, or as much as possible of its business, continuing in existence; and
 - ii. it results in a better return for the creditors of the Pooled Companies than would result from an immediate winding up of the Pooled Companies.

6 Next steps

Creditors requiring further information regarding the administration can contact KordaMentha on (08) 9220 9333 or by email at aerison@kordamentha.com.

Dated: 15 September 2023

Richard Tucker
Administrator

Level 10
40 St Georges Terrace
Perth WA 6000

Appendix A Proof of debt

Form 535 – Formal proof of debt or claim (General form)**Aerison Pty Ltd (Administrators Appointed)
ACN 060 786 656 ('the Company')**

To: The Administrators of Aerison Pty Ltd (Administrators Appointed) ('the Company')

1. This is to state that the Company was on 6 June 2023, and still is, justly and truly indebted:

To _____
(name of creditor)

Of _____
(address of creditor)

ABN _____

For \$ _____ GST Amount: \$ _____
(amount owed to creditor, include cents, GST inclusive)

Particulars of the debt are:

Date	Consideration	Amount (\$)	Remarks
(insert date when debt arose)	(state how the debt arose and attach supporting invoices and statements of account)	(GST inclusive amount)	(include details of voucher substantiating payment)

(If debt is held due to an assignment of debt, provide evidence of the transfer and the consideration paid for assignment of the debt.)

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 (\$)	Due date

3. This proof of debt may be used for the purposes of voting at any meeting, a proposal without a meeting or for distribution to creditors unless a further proof of debt is submitted by me.

Execution:

- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am a related creditor of the Company. (select if applicable)
- ☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the email address or fax number listed below.

Signature _____

Name _____ Date _____

Address _____

Email _____

Phone _____ Fax _____

Form 535 – Formal proof of debt or claim (General form)**Aerison Holdings Pty Limited (Administrators Appointed)
ACN 149 198 176 ('the Company')**

To: The Administrators of Aerison Holdings Pty Limited (Administrators Appointed) ('the Company')

1. This is to state that the Company was on 6 June 2023, and still is, justly and truly indebted:

To

(name of creditor)

Of

(address of creditor)

ABN

For

\$

(amount owed to creditor, include cents, GST inclusive)

GST Amount:\$

Particulars of the debt are:

Date	Consideration	Amount (\$)	Remarks
<i>(insert date when debt arose)</i>	<i>(state how the debt arose and attach supporting invoices and statements of account)</i>	<i>(GST inclusive amount)</i>	<i>(include details of voucher substantiating payment)</i>

(If debt is held due to an assignment of debt, provide evidence of the transfer and the consideration paid for assignment of the debt.)

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 (\$)	Due date
------	--------	----------	-------------	----------

3. This proof of debt may be used for the purposes of voting at any meeting, a proposal without a meeting or for distribution to creditors unless a further proof of debt is submitted by me.

Execution:

- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. *(select if applicable)*
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. *(select if applicable)*
- ☐ I am a related creditor of the Company. *(select if applicable)*
- ☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the email address or fax number listed below.

Signature

Name

Date

Address

Email

Phone

Fax

Form 535 – Formal proof of debt or claim (General form)**Aerison Services Pty Ltd (Administrators Appointed)
ACN 617 466 529 ('the Company')**

To: The Administrators of Aerison Services Pty Ltd (Administrators Appointed) ('the Company')

1. This is to state that the Company was on 6 June 2023, and still is, justly and truly indebted:

To

(name of creditor)

Of

(address of creditor)

ABN

For

\$

(amount owed to creditor, include cents, GST inclusive)

GST Amount:\$

Particulars of the debt are:

Date	Consideration	Amount (\$)	Remarks
<i>(insert date when debt arose)</i>	<i>(state how the debt arose and attach supporting invoices and statements of account)</i>	<i>(GST inclusive amount)</i>	<i>(include details of voucher substantiating payment)</i>

(If debt is held due to an assignment of debt, provide evidence of the transfer and the consideration paid for assignment of the debt.)

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 (\$)	Due date
------	--------	----------	-------------	----------

3. This proof of debt may be used for the purposes of voting at any meeting, a proposal without a meeting or for distribution to creditors unless a further proof of debt is submitted by me.

Execution:

- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. *(select if applicable)*
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. *(select if applicable)*
- ☐ I am a related creditor of the Company. *(select if applicable)*
- ☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the email address or fax number listed below.

Signature

Name

Date

Address

Email

Phone

Fax

Form 535 – Formal proof of debt or claim (General form)
Aerison Mechanical And Electrical Technology Pty Ltd (Administrators Appointed)
ACN 620 639 974 ('the Company')

To: The Administrators of Aerison Mechanical And Electrical Technology Pty Ltd (Administrators Appointed) ('the Company')

1. This is to state that the Company was on 6 June 2023, and still is, justly and truly indebted:

To

(name of creditor)

Of

(address of creditor)

ABN

For

\$ _____
(amount owed to creditor, include cents, GST inclusive)

GST Amount:\$ _____

Particulars of the debt are:

Date	Consideration	Amount (\$)	Remarks
(insert date when debt arose)	(state how the debt arose and attach supporting invoices and statements of account)	(GST inclusive amount)	(include details of voucher substantiating payment)

(If debt is held due to an assignment of debt, provide evidence of the transfer and the consideration paid for assignment of the debt.)

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 (\$)	Due date
------	--------	----------	-------------	----------

3. This proof of debt may be used for the purposes of voting at any meeting, a proposal without a meeting or for distribution to creditors unless a further proof of debt is submitted by me.

Execution:

- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am a related creditor of the Company. (select if applicable)
- ☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the email address or fax number listed below.

Signature

Name

Date

Address

Email

Phone

Fax

Form 535 – Formal proof of debt or claim (General form)**Aerison EPC Pty Ltd (Administrators Appointed)
ACN 640 499 387 ('the Company')**

To: The Administrators of Aerison EPC Pty Ltd (Administrators Appointed) ('the Company')

1. This is to state that the Company was on 6 June 2023, and still is, justly and truly indebted:

To _____
(name of creditor)

Of _____
(address of creditor)

ABN _____

For \$ _____ GST Amount: \$ _____
(amount owed to creditor, include cents, GST inclusive)

Particulars of the debt are:

Date	Consideration	Amount (\$)	Remarks
(insert date when debt arose)	(state how the debt arose and attach supporting invoices and statements of account)	(GST inclusive amount)	(include details of voucher substantiating payment)

(If debt is held due to an assignment of debt, provide evidence of the transfer and the consideration paid for assignment of the debt.)

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 (\$)	Due date
------	--------	----------	-------------	----------

3. This proof of debt may be used for the purposes of voting at any meeting, a proposal without a meeting or for distribution to creditors unless a further proof of debt is submitted by me.

Execution:

- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am a related creditor of the Company. (select if applicable)
- ☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the email address or fax number listed below.

Signature _____

Name _____ Date _____

Address _____

Email _____

Phone _____ Fax _____

Form 535 – Formal proof of debt or claim (General form)**Aerison Energy Services Pty Ltd (Administrators Appointed)
ACN 665 237 392 ('the Company')**

To: The Administrators of Aerison Energy Services Pty Ltd (Administrators Appointed) ('the Company')

1. This is to state that the Company was on 6 June 2023, and still is, justly and truly indebted:

To _____
(name of creditor)

Of _____
(address of creditor)

ABN _____

For \$ _____ GST Amount: \$ _____
(amount owed to creditor, include cents, GST inclusive)

Particulars of the debt are:

Date	Consideration	Amount (\$)	Remarks
(insert date when debt arose)	(state how the debt arose and attach supporting invoices and statements of account)	(GST inclusive amount)	(include details of voucher substantiating payment)

(If debt is held due to an assignment of debt, provide evidence of the transfer and the consideration paid for assignment of the debt.)

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 (\$)	Due date
------	--------	----------	-------------	----------

3. This proof of debt may be used for the purposes of voting at any meeting, a proposal without a meeting or for distribution to creditors unless a further proof of debt is submitted by me.

Execution:

- ☐ I am employed by the creditor and authorised in writing by the creditor to make this statement. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am the creditor's agent authorised in writing to make this statement in writing. I know that the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied. (select if applicable)
- ☐ I am a related creditor of the Company. (select if applicable)
- ☐ I nominate to receive electronic notification of notices or documents in accordance with Section 600G of the Corporations Act at the email address or fax number listed below.

Signature _____

Name _____ Date _____

Address _____

Email _____

Phone _____ Fax _____

Appendix B Proxy form

Appointment of proxy

Aerison Holdings Pty Ltd (Administrators Appointed)
ACN 149 198 176 ('the Company')

1. Insert full name and contact details (please print)

Creditor's name (individual or company)

Name of company contact or director(s)/company secretary

Email address

Telephone number

Address

2. Appointment of a Proxy (please complete)

I/We, a creditor of the Company, appoint ☐ {name of proxy} or ☐ the Chairperson, or in his/her absence, ☐ {name of alternative} or ☐ the Chairperson, as my/our proxy, to vote at the meeting of creditors to be held on virtually on 22 September 2023 at 11.00 am (AWST) or at any adjournment of that meeting.

If your proxy is attending virtually, provide contact details for the meeting invite to be provided to the proxy and a method to contact the proxy in case of technology difficulties.

Email address

Telephone number

3. Voting by your proxy

Option 1: If appointed as a **general proxy**, as he/she determines on my/our behalf. ☐

and/or

Option 2: If appointed as a **special proxy** for some or all resolutions, specify your instructions below (**please tick**).

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
Adjournment of meeting				
That pursuant to Section 75-140 of the Insolvency Practice Rules, the meeting be adjourned for up to 45 business days	☐	☐	☐	☐
Future of company				
<i>Only mark your intention for one of the three resolution options below:</i>				
Option 1: That pursuant to Section 439C of the Corporations Act, the Company execute a deed of company arrangement	☐	☐	☐	☐
Option 2: That the administration should end	☐	☐	☐	☐
Option 3: That pursuant to Section 439C of the Corporations Act, the Company be wound up	☐	☐	☐	☐
If the Company is to execute a deed of company arrangement:				
Other resolutions				
That a committee of inspection be appointed in the Deed of Company Arrangement of the Company, if a Deed of Company Arrangement is executed	☐	☐	☐	☐

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
If the Company is wound up:				
Other resolutions				
That a committee of inspection be appointed in the liquidation of the Company	☐	☐	☐	☐
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
That, subject to obtaining ASIC approval pursuant to Section 70-35(3) of Schedule 2 of the Corporations Act, the books and records of the Company and of the Liquidators be disposed of by the Liquidators six months after dissolution of the Company	☐	☐	☐	☐
Resolutions proposed at the meeting				☐

4. Signature section (in accordance with Sections 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation

Print name:

Dated

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

5. Certificate of witness

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness:

6. Return of completed proxy forms

Completed proxy forms are to be received by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. They can be sent by email to aerison@kordamentha.com faxed to (08) 9220 9399 or sent by mail to KordaMentha at PO Box 3185, East Perth WA 6892.

Appointment of proxy

Aerison Pty Ltd (Administrators Appointed)
ACN 060 786 656 ('the Company')

1. Insert full name and contact details (please print)

Creditor's name (individual or company)

Name of company contact or director(s)/company secretary

Email address

Telephone number

Address

2. Appointment of a Proxy (please complete)

I/We, a creditor of the Company, appoint ☐ {name of proxy} or ☐ the Chairperson, or in his/her absence, ☐ {name of alternative} or ☐ the Chairperson, as my/our proxy, to vote at the meeting of creditors to be held on virtually on 22 September 2023 at 11.00 am (AWST) or at any adjournment of that meeting.

If your proxy is attending virtually, provide contact details for the meeting invite to be provided to the proxy and a method to contact the proxy in case of technology difficulties.

Email address

Telephone number

3. Voting by your proxy

Option 1: If appointed as a **general proxy**, as he/she determines on my/our behalf. ☐

and/or

Option 2: If appointed as a **special proxy** for some or all resolutions, specify your instructions below (**please tick**).

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
Adjournment of meeting				
That pursuant to Section 75-140 of the Insolvency Practice Rules, the meeting be adjourned for up to 45 business days	☐	☐	☐	☐
Future of company				
Only mark your intention for one of the three resolution options below:				
Option 1: That pursuant to Section 439C of the Corporations Act, the Company execute a deed of company arrangement	☐	☐	☐	☐
Option 2: That the administration should end	☐	☐	☐	☐
Option 3: That pursuant to Section 439C of the Corporations Act, the Company be wound up	☐	☐	☐	☐
If the Company is to execute a deed of company arrangement:				
Other resolutions				
That a committee of inspection be appointed in the Deed of Company Arrangement of the Company, if a Deed of Company Arrangement is executed	☐	☐	☐	☐

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
If the Company is wound up:				
Other resolutions				
That a committee of inspection be appointed in the liquidation of the Company	☐	☐	☐	☐
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
That, subject to obtaining ASIC approval pursuant to Section 70-35(3) of Schedule 2 of the Corporations Act, the books and records of the Company and of the Liquidators be disposed of by the Liquidators six months after dissolution of the Company	☐	☐	☐	☐
Resolutions proposed at the meeting				☐

4. Signature section (in accordance with Sections 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation

Print name:

Dated

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

5. Certificate of witness

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness:

6. Return of completed proxy forms

Completed proxy forms are to be received by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. They can be sent by email to aerison@kordamentha.com faxed to (08) 9220 9399 or sent by mail to KordaMentha at PO Box 3185, East Perth WA 6892.

Appointment of proxy

Aerison Services Pty Ltd (Administrators Appointed)
ACN 617 466 529 ('the Company')

1. Insert full name and contact details (please print)

Creditor's name (individual or company)

Name of company contact or director(s)/company secretary

Email address

Telephone number

Address

2. Appointment of a Proxy (please complete)

I/We, a creditor of the Company, appoint ☐ {name of proxy} or ☐ the Chairperson, or in his/her absence, ☐ {name of alternative} or ☐ the Chairperson, as my/our proxy, to vote at the meeting of creditors to be held on virtually on 22 September 2023 at 11.00 am (AWST) or at any adjournment of that meeting.

If your proxy is attending virtually, provide contact details for the meeting invite to be provided to the proxy and a method to contact the proxy in case of technology difficulties.

Email address

Telephone number

3. Voting by your proxy

Option 1: If appointed as a **general proxy**, as he/she determines on my/our behalf. ☐

and/or

Option 2: If appointed as a **special proxy** for some or all resolutions, specify your instructions below (**please tick**).

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
Adjournment of meeting				
That pursuant to Section 75-140 of the Insolvency Practice Rules, the meeting be adjourned for up to 45 business days	☐	☐	☐	☐
Future of company				
<i>Only mark your intention for one of the three resolution options below:</i>				
Option 1: That pursuant to Section 439C of the Corporations Act, the Company execute a deed of company arrangement	☐	☐	☐	☐
Option 2: That the administration should end	☐	☐	☐	☐
Option 3: That pursuant to Section 439C of the Corporations Act, the Company be wound up	☐	☐	☐	☐
If the Company is to execute a deed of company arrangement:				
Other resolutions				
That a committee of inspection be appointed in the Deed of Company Arrangement of the Company, if a Deed of Company Arrangement is executed	☐	☐	☐	☐

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
If the Company is wound up:				
Other resolutions				
That a committee of inspection be appointed in the liquidation of the Company	☐	☐	☐	☐
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
That, subject to obtaining ASIC approval pursuant to Section 70-35(3) of Schedule 2 of the Corporations Act, the books and records of the Company and of the Liquidators be disposed of by the Liquidators six months after dissolution of the Company	☐	☐	☐	☐
Resolutions proposed at the meeting				☐

4. Signature section (in accordance with Sections 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation

Print name:

Dated

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

5. Certificate of witness

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness:

6. Return of completed proxy forms

Completed proxy forms are to be received by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. They can be sent by email to aerison@kordamentha.com faxed to (08) 9220 9399 or sent by mail to KordaMentha at PO Box 3185, East Perth WA 6892.

Appointment of proxy

Aerison EPC Pty Ltd (Administrators Appointed)
ACN 640 499 387 ('the Company')

1. Insert full name and contact details (please print)

Creditor's name (individual or company)

Name of company contact or director(s)/company secretary

Email address

Telephone number

Address

2. Appointment of a Proxy (please complete)

I/We, a creditor of the Company, appoint ☐ {name of proxy} or ☐ the Chairperson, or in his/her absence, ☐ {name of alternative} or ☐ the Chairperson, as my/our proxy, to vote at the meeting of creditors to be held on virtually on 22 September 2023 at 11.00 am (AWST) or at any adjournment of that meeting.

If your proxy is attending virtually, provide contact details for the meeting invite to be provided to the proxy and a method to contact the proxy in case of technology difficulties.

Email address

Telephone number

3. Voting by your proxy

Option 1: If appointed as a **general proxy**, as he/she determines on my/our behalf. ☐

and/or

Option 2: If appointed as a **special proxy** for some or all resolutions, specify your instructions below (**please tick**).

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
Adjournment of meeting				
That pursuant to Section 75-140 of the Insolvency Practice Rules, the meeting be adjourned for up to 45 business days	☐	☐	☐	☐
Future of company				
<i>Only mark your intention for one of the three resolution options below:</i>				
Option 1: That pursuant to Section 439C of the Corporations Act, the Company execute a deed of company arrangement	☐	☐	☐	☐
Option 2: That the administration should end	☐	☐	☐	☐
Option 3: That pursuant to Section 439C of the Corporations Act, the Company be wound up	☐	☐	☐	☐
If the Company is to execute a deed of company arrangement:				
Other resolutions				
That a committee of inspection be appointed in the Deed of Company Arrangement of the Company, if a Deed of Company Arrangement is executed	☐	☐	☐	☐

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
If the Company is wound up:				
Other resolutions				
That a committee of inspection be appointed in the liquidation of the Company	☐	☐	☐	☐
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
That, subject to obtaining ASIC approval pursuant to Section 70-35(3) of Schedule 2 of the Corporations Act, the books and records of the Company and of the Liquidators be disposed of by the Liquidators six months after dissolution of the Company	☐	☐	☐	☐
Resolutions proposed at the meeting				☐

4. Signature section (in accordance with Sections 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation

Print name:

Dated

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

5. Certificate of witness

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness:

6. Return of completed proxy forms

Completed proxy forms are to be received by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. They can be sent by email to aerison@kordamentha.com faxed to (08) 9220 9399 or sent by mail to KordaMentha at PO Box 3185, East Perth WA 6892.

Appointment of proxy

Aerison Mechanical and Electrical Technology Pty Ltd (Administrators Appointed)
ACN 620 639 974 ('the Company')

1. Insert full name and contact details (please print)

Creditor's name (individual or company)

Name of company contact or director(s)/company secretary

Email address

Telephone number

Address

2. Appointment of a Proxy (please complete)

I/We, a creditor of the Company, appoint ☐ {name of proxy} or ☐ the Chairperson, or in his/her absence, ☐ {name of alternative} or ☐ the Chairperson, as my/our proxy, to vote at the meeting of creditors to be held on virtually on 22 September 2023 at 11.00 am (AWST) or at any adjournment of that meeting.

If your proxy is attending virtually, provide contact details for the meeting invite to be provided to the proxy and a method to contact the proxy in case of technology difficulties.

Email address

Telephone number

3. Voting by your proxy

Option 1: If appointed as a **general proxy**, as he/she determines on my/our behalf. ☐

and/or

Option 2: If appointed as a **special proxy** for some or all resolutions, specify your instructions below (**please tick**).

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
Adjournment of meeting				
That pursuant to Section 75-140 of the Insolvency Practice Rules, the meeting be adjourned for up to 45 business days	☐	☐	☐	☐
Future of company				
Only mark your intention for one of the three resolution options below:				
Option 1: That pursuant to Section 439C of the Corporations Act, the Company execute a deed of company arrangement	☐	☐	☐	☐
Option 2: That the administration should end	☐	☐	☐	☐
Option 3: That pursuant to Section 439C of the Corporations Act, the Company be wound up	☐	☐	☐	☐
If the Company is to execute a deed of company arrangement:				
Other resolutions				
That a committee of inspection be appointed in the Deed of Company Arrangement of the Company, if a Deed of Company Arrangement is executed	☐	☐	☐	☐

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
If the Company is wound up:				
Other resolutions				
That a committee of inspection be appointed in the liquidation of the Company	☐	☐	☐	☐
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
That, subject to obtaining ASIC approval pursuant to Section 70-35(3) of Schedule 2 of the Corporations Act, the books and records of the Company and of the Liquidators be disposed of by the Liquidators six months after dissolution of the Company	☐	☐	☐	☐
Resolutions proposed at the meeting				☐

4. Signature section (in accordance with Sections 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation

Print name:

Dated

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

5. Certificate of witness

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness:

6. Return of completed proxy forms

Completed proxy forms are to be received by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. They can be sent by email to aerison@kordamentha.com faxed to (08) 9220 9399 or sent by mail to KordaMentha at PO Box 3185, East Perth WA 6892.

Appointment of proxy

Aerison Energy Services Pty Ltd (Administrators Appointed)
ACN 665 237 392 ('the Company')

1. Insert full name and contact details (please print)

Creditor's name (individual or company)

Name of company contact or director(s)/company secretary

Email address

Telephone number

Address

2. Appointment of a Proxy (please complete)

I/We, a creditor of the Company, appoint ☐ {name of proxy} or ☐ the Chairperson, or in his/her absence, ☐ {name of alternative} or ☐ the Chairperson, as my/our proxy, to vote at the meeting of creditors to be held on virtually on 22 September 2023 at 11.00 am (AWST) or at any adjournment of that meeting.

If your proxy is attending virtually, provide contact details for the meeting invite to be provided to the proxy and a method to contact the proxy in case of technology difficulties.

Email address

Telephone number

3. Voting by your proxy

Option 1: If appointed as a **general proxy**, as he/she determines on my/our behalf. ☐

and/or

Option 2: If appointed as a **special proxy** for some or all resolutions, specify your instructions below (**please tick**).

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
Adjournment of meeting				
That pursuant to Section 75-140 of the Insolvency Practice Rules, the meeting be adjourned for up to 45 business days	☐	☐	☐	☐
Future of company				
Only mark your intention for one of the three resolution options below:				
Option 1: That pursuant to Section 439C of the Corporations Act, the Company execute a deed of company arrangement	☐	☐	☐	☐
Option 2: That the administration should end	☐	☐	☐	☐
Option 3: That pursuant to Section 439C of the Corporations Act, the Company be wound up	☐	☐	☐	☐
If the Company is to execute a deed of company arrangement:				
Other resolutions				
That a committee of inspection be appointed in the Deed of Company Arrangement of the Company, if a Deed of Company Arrangement is executed	☐	☐	☐	☐

Resolution (please specify the particular resolution)	For	Against	Abstain	General proxy to vote
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
If the Company is wound up:				
Other resolutions				
That a committee of inspection be appointed in the liquidation of the Company	☐	☐	☐	☐
That in accordance with Section 80-55(3) of Schedule 2 of the Corporations Act, the members of the committee of inspection (or a related entity of those members) are permitted to continue dealing with the Company and its creditors on a business as usual basis during the period of the external administration	☐	☐	☐	☐
That, subject to obtaining ASIC approval pursuant to Section 70-35(3) of Schedule 2 of the Corporations Act, the books and records of the Company and of the Liquidators be disposed of by the Liquidators six months after dissolution of the Company	☐	☐	☐	☐
Resolutions proposed at the meeting				☐

4. Signature section (in accordance with Sections 127 or 250D of the Corporations Act 2001)

Signature of individual or person authorised by corporate resolution to represent corporation

Print name:

Dated

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

5. Certificate of witness

Please Note: This certificate is to be completed only where the person giving the proxy is blind or incapable of writing. The signature of the creditor is not to be attested by the person nominated as proxy.

I _____ of _____

certify that the above instrument appointing a proxy was completed by me in the presence of and at the request of the person appointing the proxy and read to him before he attached his signature or mark to the instrument.

Signature of witness:

6. Return of completed proxy forms

Completed proxy forms are to be received by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. They can be sent by email to aerison@kordamentha.com faxed to (08) 9220 9399 or sent by mail to KordaMentha at PO Box 3185, East Perth WA 6892.

Appendix C Notice of meeting

Corporations Act 2001

Notice of meetings of creditors of companies under administration

Aerison Group of Companies (all Administrators Appointed) (refer to attached schedule) ('the Group')

Notice is hereby given that, subject to appropriate orders being granted by the court, the second meetings of creditors of the Group will be held pursuant to Section 439A of the Corporations Act 2001 ('the Act') on 22 September at 11.00 am (AWST).

This will be a virtual meeting only – no in-person attendance is permitted. In the minutes, the notional physical location of the virtual meeting will be recorded as Level 10, 40 St Georges Terrace, Perth WA 6000.

You must register via the Zoom link below no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023:

https://us02web.zoom.us/webinar/register/WN_cuhTd18bSMiEJ5U8dZ7nIA

The Administrators will apply for orders from the Supreme Court of Western Australia to convene a further second creditors meeting with respect to the Group. This is because, despite creditors voting in favour of the Deed of Company Arrangement ('DOCA') at the previous meeting held on 4 September 2023, the DOCA which was voted on in that meeting has not been, and is not capable of being, executed. As a result, the purpose of this further meeting is to:

1. Review the report of the Administrators in connection with the business, property, affairs and financial circumstances of the Group
2. Allow creditors of the Group to resolve that:
 - i. Group entities execute a deed of company arrangement, or
 - ii. the administration should end, or
 - iii. Group entities be wound up.

If any company of the Group is wound up, to consider:

1. The appointment of a committee of inspection and if appointed, who are to be the committee members
2. Permitting any committee members to continue dealing with the Group and their creditors on a business as usual basis during the external administration
3. The early destruction of the Group's books and records
4. Any other business properly brought before the meetings.

If any company of the Group is to execute a deed of company arrangement, to consider:

1. The appointment of a committee of inspection and if appointed, who are to be the committee members
2. Permitting any committee members to continue dealing with the Group and their creditors on a business as usual basis during the external administration
3. Any other business properly brought before the meetings.

All creditors who wish to attend and vote at the second meeting of creditors of all companies must have registered via this link https://us02web.zoom.us/webinar/register/WN_cuhTd18bSMiEJ5U8dZ7nIA and submitted a Proof of Debt Form and Proxy Form (if applicable) by 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023.

The meeting invitation link will only be issued once all required forms have been submitted and you have registered via the zoom registration link above. If you have indicated that a proxy will be attending on your behalf, an invitation will be sent to them for the meeting.

Creditors who are a company and wish to vote at a meeting must complete and return a Proxy Form, whether they are voting by proxy or their representative is attending virtually or in person. Creditors who are individuals, such as employees or sole traders, and wish to vote at a meeting only need to complete and return a Proxy Form if they are voting by proxy or having a person represent them at the meeting, whether virtually or in person.

Proxy Forms must be completed and returned by no later than 11.00 am (AWST) on the last business day prior to the meeting, being 21 September 2023. Send the forms by email to aerison@kordamentha.com or send by mail to KordaMentha at PO Box 3185, East Perth WA 6892. Due to possible delays in the delivery of mail, we recommend email. A Proxy Form is enclosed.

Section 75-85 of the Insolvency Practice Rules (Corporations) 2016 ('the Rules') sets out the entitlement to vote at meetings of creditors – see Appendix 1 for Section 75-85 of the Rules. To comply with this, a Proof of Debt Form must be lodged. Accordingly, one is enclosed.

Dated: 14 September 2023

A handwritten signature in black ink, appearing to be 'Richard Tucker', with a stylized, flowing script.

Richard Tucker
Administrator

KordaMentha
PO Box 3185
East Perth WA 6892

Enc.

Schedule 1

Company (all Administrators Appointed)	ACN
Aerison Holdings Pty Ltd	149 198 176
Aerison Pty Ltd	060 786 656
Aerison Services Pty Ltd	617 466 529
Aerison EPC Pty Ltd	640 499 387
Aerison Mechanical and Electrical Technology Pty Ltd	620 639 974
Aerison Energy Services Pty Ltd	665 237 392

Appendix 1

Section 75-85 of the Insolvency Practice Rules (Corporations) 2016

- (1) A person other than a creditor (or the creditor's proxy or attorney) is not entitled to vote at a meeting of creditors.
- (2) Subject to subsections (3), (4) and (5), each creditor is entitled to vote and has one vote.
- (3) A person is not entitled to vote as a creditor at a meeting of creditors unless:
 - (a) his or her debt or claim has been admitted wholly or in part by the external administrator; or
 - (b) 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:
 - (i) those particulars; or
 - (ii) if required—a formal proof of the debt or claim.
- (4) A creditor must not vote in respect of:
 - (a) an unliquidated debt; or
 - (b) a contingent debt; or
 - (c) an unliquidated or a contingent claim; or
 - (d) a debt the value of which is not established;unless a just estimate of its value has been made.
- (5) A creditor must not vote in respect of a debt or a claim on or secured by a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor unless he or she is willing to do the following:
 - (a) treat the liability to him or her on the instrument or security of a person covered by subsection (6) as a security in his or her hands;
 - (b) estimate its value;
 - (c) for the purposes of voting (but not for the purposes of dividend), to deduct it from his or her debt or claim.
- (6) A person is covered by this subsection if:
 - (a) the person's liability is a debt or a claim on, or secured by, a bill of exchange, a promissory note or any other negotiable instrument or security held by the creditor; and
 - (b) the person is either liable to the company directly, or may be liable to the company on the default of another person with respect to the liability; and
 - (c) the person is not an insolvent under administration or a person against whom a winding up order is in force.

Appendix D KordaMentha National Rates FY24

KordaMentha rates

National

Applicable from 3 July 2023

FY 2024

Classification	\$ per hour*
Principal Appointee/Partner/Executive Director	850
Director	795
Associate Director 1	750
Associate Director 2	695
Manager	650
Senior Executive Analyst	550
Executive Analyst	495
Senior Business Analyst	450
Business Analyst	395
Administration	200

**Exclusive of GST*

KordaMentha disbursement policy

Disbursements incurred from third party suppliers are charged at the cost invoiced except for ASIC charges when only an estimated amount is known or the future storage and destruction of books and records, which is charged at the actual rate at the time of the resolution. KordaMentha does not add any margin to disbursements incurred through third parties. There are no charges for internal KordaMentha disbursements, such as internal photocopy use, telephone calls or facsimiles, except for bulk printing and postage that is performed internally, which are calculated on a variable cost recovery basis.

In relation to any employee allowances, being kilometre allowance and reasonable travel allowance, the rate of the allowance set by KordaMentha is at or below the rate set by the Australian Taxation Office.

If a KordaMentha data room is utilised, the fee will be based on the duration and size of the data room. Certain services provided by Forensic Technology may require the processing of electronically stored information into specialist review platforms. Where these specific Forensic Technology resources are utilised, the fee will be based on units (e.g. number of laptops), size (e.g. per gigabyte) and/or period of time (e.g. period of hosting).

GST is applied to disbursements as required by law.

KordaMentha disbursement internal rates and allowances applicable from 3 July 2023

Description	Charge*
Envelopes	\$0.10 to \$0.62 per envelope (varies due to size)
Printing (internal print runs)	\$0.06 per page
ASIC charges for appointments and notifiable events	These amounts will be charged at the amount disclosed in the schedule at the time of the resolution was passed. The current estimated levy amount is: \$100.00 per appointee or notifiable event
Travel Reimbursement	\$0.60 per kilometre
Meal per diem, etc.	Up to \$92.70 per day per staff member (unless other arrangements made)
Storage and destruction of books and records of the entity and the external administration	Storage - \$3.24 per box per annum Cost of box establishment - \$7.16 per box Destruction - \$6.12 per box
RelativityOne fee	Data hosting \$20.00 per GB per month
	Repository workspace \$10.00 per GB per month
	Cold storage \$5.00 per GB per month
	Data processing \$10.00 per GB
	<i>Note: only one of Data hosting, Repository workspace, Cold storage or Data processing cost will be charged at any one time</i>
Data Room Plan and Fee	Refer to attached table

*Exclusive of GST, reviewed annually on 1 July. Postage is based on standard weight – amounts above that will be at cost.

Data Room Plan and Fee

250 MB Data Plan				1 GB Data Plan				2 GB Data Plan			
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 50 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 100 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 200 MB, per Month
Monthly	\$499.00	\$499.00	\$179.00	Monthly	\$1,299.00	\$1,299.00	\$179.00	Monthly	\$1,799.00	\$1,799.00	\$179.00
3 months	\$424.00	\$1,272.00	\$152.00	3 months	\$1,104.00	\$3,312.00	\$152.00	3 months	\$1,529.00	\$4,587.00	\$152.00
6 months	\$374.00	\$2,244.00	\$134.00	6 months	\$974.00	\$5,844.00	\$134.00	6 months	\$1,349.00	\$8,094.00	\$134.00
12 months	\$299.00	\$3,588.00	\$107.00	12 months	\$779.00	\$9,348.00	\$107.00	12 months	\$1,079.00	\$12,948.00	\$107.00
4 GB Data Plan				5 GB Data Plan				6 GB Data Plan			
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month
Monthly	\$2,499.00	\$2,499.00	\$179.00	Monthly	\$2,799.00	\$2,799.00	\$179.00	Monthly	\$3,099.00	\$3,099.00	\$179.00
3 months	\$2,124.00	\$6,372.00	\$152.00	3 months	\$2,379.00	\$7,137.00	\$152.00	3 months	\$2,634.00	\$7,902.00	\$152.00
6 months	\$1,874.00	\$11,244.00	\$134.00	6 months	\$2,099.00	\$12,594.00	\$134.00	6 months	\$2,324.00	\$13,944.00	\$134.00
12 months	\$1,499.00	\$17,988.00	\$107.00	12 months	\$1,679.00	\$20,148.00	\$107.00	12 months	\$1,859.00	\$22,308.00	\$107.00
7 GB Data Plan				8 GB Data Plan				9 GB Data Plan			
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month
Monthly	\$3,349.00	\$3,349.00	\$179.00	Monthly	\$3,449.00	\$3,449.00	\$179.00	Monthly	\$3,549.00	\$3,549.00	\$179.00
3 months	\$2,847.00	\$8,541.00	\$152.00	3 months	\$2,932.00	\$8,796.00	\$152.00	3 months	\$3,017.00	\$9,051.00	\$152.00
6 months	\$2,512.00	\$15,072.00	\$134.00	6 months	\$2,587.00	\$15,522.00	\$134.00	6 months	\$2,662.00	\$15,972.00	\$134.00
12 months	\$2,009.00	\$24,108.00	\$107.00	12 months	\$2,069.00	\$24,828.00	\$107.00	12 months	\$2,129.00	\$25,548.00	\$107.00
10 GB Data Plan				11 GB Data Plan				12 GB Data Plan			
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month
Monthly	\$3,899.00	\$3,899.00	\$179.00	Monthly	\$4,299.00	\$4,299.00	\$179.00	Monthly	\$4,699.00	\$4,699.00	\$179.00
3 months	\$3,314.00	\$9,942.00	\$152.00	3 months	\$3,654.00	\$10,962.00	\$152.00	3 months	\$3,994.00	\$11,982.00	\$152.00
6 months	\$2,924.00	\$17,544.00	\$134.00	6 months	\$3,224.00	\$19,344.00	\$134.00	6 months	\$3,524.00	\$21,144.00	\$134.00
12 months	\$2,339.00	\$28,068.00	\$107.00	12 months	\$2,579.00	\$30,948.00	\$107.00	12 months	\$2,819.00	\$33,828.00	\$107.00
13 GB Data Plan				14 GB Data Plan				15 GB Data Plan			
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month
Monthly	\$5,099.00	\$5,099.00	\$179.00	Monthly	\$5,499.00	\$5,499.00	\$179.00	Monthly	\$5,849.00	\$5,849.00	\$179.00
3 months	\$4,334.00	\$13,002.00	\$152.00	3 months	\$4,674.00	\$14,022.00	\$152.00	3 months	\$4,972.00	\$14,916.00	\$152.00
6 months	\$3,824.00	\$22,944.00	\$134.00	6 months	\$4,124.00	\$24,744.00	\$134.00	6 months	\$4,387.00	\$26,322.00	\$134.00
12 months	\$3,059.00	\$36,708.00	\$107.00	12 months	\$3,299.00	\$39,588.00	\$107.00	12 months	\$3,509.00	\$42,108.00	\$107.00

16 GB Data Plan				17 GB Data Plan				18 GB Data Plan			
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month
Monthly	\$6,249.00	\$6,249.00	\$179.00	Monthly	\$6,649.00	\$6,649.00	\$179.00	Monthly	\$7,049.00	\$7,049.00	\$179.00
3 months	\$5,312.00	\$15,936.00	\$152.00	3 months	\$5,652.00	\$16,956.00	\$152.00	3 months	\$5,992.00	\$17,976.00	\$152.00
6 months	\$4,687.00	\$28,122.00	\$134.00	6 months	\$4,987.00	\$29,922.00	\$134.00	6 months	\$5,287.00	\$31,722.00	\$134.00
12 months	\$3,749.00	\$44,988.00	\$107.00	12 months	\$3,989.00	\$47,868.00	\$107.00	12 months	\$4,229.00	\$50,748.00	\$107.00
19 GB Data Plan				20 GB Data Plan							
	Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month		Price per Month (excl GST)	Total Cost (excl GST)	Extra 400 MB, per Month				
Monthly	\$7,449.00	\$7,449.00	\$179.00	Monthly	\$7,849.00	\$7,849.00	\$179.00				
3 months	\$6,332.00	\$18,996.00	\$152.00	3 months	\$6,672.00	\$20,016.00	\$152.00				
6 months	\$5,587.00	\$33,522.00	\$134.00	6 months	\$5,887.00	\$35,322.00	\$134.00				
12 months	\$4,469.00	\$53,628.00	\$107.00	12 months	\$4,709.00	\$56,508.00	\$107.00				



KordaMentha classifications

Classification	Guide to level of experience
Principal Appointee/Partner/ Executive Director	Registered/Official Liquidator/Trustee, his or her Partners. Specialist skills brought to the administration. Generally in excess of 10 years' experience.
Director	More than eight years' experience and more than three years as a Manager. Answerable to the appointee, but otherwise responsible for all aspects of an administration. Controls staffing and their training.
Associate Director 1	Six to eight years' experience with well developed technical and commercial skills. Will have conduct of minor administrations and experience in control of a small to medium team of staff. Assists with the planning and control of medium to large administrations.
Associate Director 2	Five to seven years' experience with well developed technical and commercial skills. Will have conduct of minor administrations and experience in control of a small to medium team of staff. Assists with the planning and control of medium to large administrations.
Manager	Four to six years' experience. Will have had conduct of minor administrations and experience in control of one to three staff. Assists with the planning control of medium to large administrations.
Senior Executive Analyst	Three to four years' experience. Assists planning and control of small to medium administrations as well as performing some of the more difficult tasks on larger administrations.
Executive Analyst	Two to three years' experience. Required to control the tasks on small administrations and is responsible for assisting tasks on medium to large administrations.
Senior Business Analyst	Graduate with one to two years' experience. Required to assist in day-to-day tasks under supervision of more senior staff.
Business Analyst	Undergraduate or graduate with up to one year experience. Required to assist in day-to-day tasks under supervision of more senior staff.
Administration	Appropriate skills, including books and records management and accounts processing particular to the administration.

Appendix E Return to creditors

Appendix F Return to creditors

Pooled Companies \$ million	DOCA		Liquidation		Notes
	Low	High	Low	High	
Assets available					
Cash available following debtor collection and creditor unwind	4.8	5.3	-	-	1
DOCA contribution	5.1	5.1	-	-	2
Plant and Equipment	-	-	1.6	1.6	3
Liquidator recoveries	-	-	0.5	1.0	4
Estimated recoveries from Roy Hill dispute less costs	TBC	50.0	TBC	50.0	5
Total assets available	9.8	60.3	2.1	52.6	
Administration costs					
Repayment of Administrators' loan	(4.7)	(4.7)	(0.5)	(4.7)	6
Administrators' fees, legal fees and disbursements	(3.5)	(4.0)	-	(3.5)	7
Total Administration costs	(8.2)	(8.7)	(0.5)	(8.2)	
Funds available in DOCA/Liquidation	1.6	51.6	1.6	44.4	
DOCA/liquidation costs					
DOCA fees, legal fees and disbursements	(0.2)	(0.2)	-	-	8
Creditors' Trust fees, legal fees and disbursements	-	(0.2)	-	-	8
Liquidator fees, legal fees and disbursements	-	-	-	(0.5)	9
Funds available for creditors	1.4	51.2	1.6	43.9	
Distribution to CBA (non-circulating amount for P&E)	(0.3)	(0.3)	(1.6)	(1.6)	10
Distribution of funds to employees					
Entitlements for continuing employees (excl. superannuation)	Continuing	Continuing	N/A	N/A	
Outstanding pre-appointment wages, superannuation	(0.4)	(1.0)	-	(1.0)	
CBA s560 loan	(0.8)	(2.0)	-	(2.0)	11
Annual leave and long service leave		(0.2)	-	(1.7)	
Redundancy and PILN	-	(0.2)	-	(3.2)	

Funds available for priority secured creditors			47.5				34.4		
Distribution of funds to priority secured creditors									
CBA	-		(21.6)		-		(20.2)		
Asset Insure	-		(10.2)		-		(10.2)		
Funds available for unsecured creditors	-		15.8		-		4.0		
Estimated returns to creditors (\$)	Debt	Return	Debt	Return	Debt	Return	Debt	Return	
CBA	23.8	3.4	23.8	23.8	23.8	1.6	23.8	23.8	12
Asset Insure	10.2	-	10.2	10.2	10.2	-	10.2	10.2	13
Employees:									14
Continuing employees		Continuing		Continuing		N/A		N/A	14
Outstanding superannuation, wages	1.0	0.4	1.0	1.0	1.0	-	1.0	1.0	15
Annual leave and long service leave	0.2	-	0.2	0.2	1.7	-	1.7	1.7	16
Redundancy and PILN	0.2	-	0.2	0.2	3.2	-	3.2	3.2	17
Unsecured creditors	50.0	-	50.0	15.8	50.0	-	50.0	4.0	18
	DOCA				Liquidation				
Estimated returns to creditors (c/\$)	Low		High		Low		High		
Secured Creditors:									
CBA	14.4		100.0		6.7		100.0		
Asset Insure	-		100.0		-		100.0		
Employees:									
Continuing employees	Continuing		Continuing		N/A		N/A		
Outstanding superannuation and wages	38.9		100.0		-		100.0		
Annual leave and long service leave	-		100.0		-		100.0		
Redundancy and PILN	-		100.0		-		100.0		
Unsecured creditors	-		31.6		-		8.0		

Notes

Note 1:

This represents estimated cash and debtors available after unwinding VA trading costs on completion. Under a liquidation scenario we expect no funds will be available.

Note 2:

The DOCA contribution is the cash contribution put forward by the DOCA proponent for the portion of the Trust Fund to be distributed to creditors.

Note 3:

This represents the realisable value of plant and equipment based on an independent liquidation conducted by Pickles.

Note 4:

The low scenario represents the low range of potential unfair preference claims assessed by the Administrators. The high scenario represents 50% of total unfair preference claims identified by the Administrators. We have factored in a 50% discount due to further investigations being required and potential defences available.

Note 5:

We cannot comment on the merits of the Roy Hill Claim to provide an estimated realisable value due to legal privilege and commercial sensitivity. We have therefore presented a 'High' scenario of the full claim less estimated costs for the Deed Administrators/Trustees/Liquidators, solicitors, legal counsel and any litigation funding. Proceeds from the Roy Hill Claim have been represented, for illustrative purposes, as a recovery of an outstanding debtor for WIP, hence is, for the purposes of the table only included as a circulating debtor payment. Should recoveries be classified in a different way, proceeds from the Roy Hill Claim might be represented as a non-circulating asset, with adjustments to the waterfall.

Note 6:

This represents repayment of the Administrators' funding agreement with Avior.

Note 7:

This represents actual and estimated remuneration of the Administrators (where creditors approval is required) and legal fees incurred by the Administrators. This includes a discount on fees of c. \$0.6 million to enable a material return to creditors.

Note 8:

This represents estimated Deed Administrators' remuneration and creditor trustees' remuneration and legal fees in administering the DOCA and creditors trust. Note fees in relation to pursuing the Roy Hill claim are not included, instead they are captured within note 5.

Note 9:

This represents estimated Liquidators' remuneration in the event the Pooled Companies are placed into liquidation. Note fees in relation to pursuing the Roy Hill claim are not included, instead they are captured within note 5.

Note 10:

Estimated return to CBA in relation to security interests CBA has over non-circulating assets.

Note 11:

CBA provided a \$2.0 million Section 560 loan to assist Aerison pay employee wages prior to the appointment of Administrators. This claim ranks pari-passu with superannuation.

Note 12:

CBA holds first ranking security over the Aerison Group. Estimated debt owing to CBA at appointment was \$23.8 million. The returns under DOCA include cash of \$2.4 million of cash held by CBA for bank guarantees which is expected to be released over time as bank guarantees are released.

Note 13:

Asset Insure (or Swiss Re) has security over certain proceeds from the Roy Hill Claim - recovery of this is dependent on the outcome of the Roy Hill Claim.

Note 14:

Retention bonus payments owed to employees will either be met by the Proponent of the DOCA for continuing employees or as a cost of the administration.

Note 15:

Retained employees are to have their entitlements (excluding superannuation) preserved under the DOCA scenario.

Note 16:

This represents outstanding superannuation at the time of appointment of Administrators.

Note 17:

This represents annual leave and long service leave outstanding to employees. A DOCA scenario will avoid claims of c. \$1.5 million crystallising.

Note 18:

This represents redundancy and PILN liabilities which would be triggered on termination of employees. A DOCA scenario will avoid claims of c. \$2.9m crystallising due to the small amount of employees not being assumed by the Prop