

Circular to Employees

5 July 2023

By email:

Dear Sir/Madam

Aurora Metals Limited ACN 126 634 606
(‘HeadCo’)

Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610
Auctus Chillagoe Pty Ltd ACN 605 055 285
Auctus Resources Pty Ltd ACN 136 606 338
Auctus Minerals Pty Ltd ACN 602 411 852
CTM Alluvial Mining Pty Ltd ACN 137 305 947
Colinacobre Pty Ltd ACN 601 312 207
Surveyor Mining Pty Ltd ACN 601 108 776
Nyngan Gold Pty Ltd ACN 154 650 585
Vision Exploration Pty Ltd ACN 161 881 018
Twilight Exploration Pty Ltd ACN 161 880 995
Thesaurus Exploration Pty Ltd ACN 163 781 342
(‘the Subsidiaries’)

(All Administrators Appointed)
(together ‘the Companies’)

INITIAL INFORMATION FOR EMPLOYEES

According to the Companies records, you may be an employee creditor of HeadCo.

The purpose of this document is to provide you with information about the voluntary administrations of the Companies and your rights as a creditor.

Notification of Appointment

We confirm that Richard Tucker, David Osborne and Tony Miskiewicz were appointed Voluntary Administrators of HeadCo pursuant to Section 436C of the Corporations Act 2001 (‘the Act’) on 30 June 2023. We further confirm that Richard Tucker, David Osborne and Tony Miskiewicz were appointed Voluntary Administrators of the Subsidiaries pursuant to Section 436A of the Act on 30 June 2023.

Appointment of Receivers and Managers and Explanation of a Receivership

On 3 July 2023 Phillip Campbell-Wilson and Said Jahani of Grant Thornton were appointed Receivers and Managers of the Companies. The Receivers and Managers were appointed to the Companies by Mt Garnet Finance Pty Ltd, a secured creditor of the Companies. The Receivers and Managers are responsible for the ongoing trading of the Companies. Any queries relating to the trading of the Companies should be directed to Grant Thornton via email at Aurorametalcreditors@au.gt.com.

Ongoing Trading and Continuity of Staff Employment

The Receivers and Managers will communicate with current employees regarding their intentions for the ongoing trading of the Companies and the continuity of staff employment. Any queries regarding ongoing employment should be directed to Grant Thornton via email at Aurorametalcreditors@au.gt.com.

Payment of Staff Wages

The Administrators are personally liable for the payment of staff wages from the date of their appointment (30 June 2023) up to the appointment of the Receivers and Managers (3 July 2023). The Administrators will liaise with the Receivers and Managers over the coming days to organise the payment of wages from 30 June 2023. Wages are due to be paid on 12 July 2023.

Terminated Employees and Other Outstanding Employee Entitlements

Employees who are no longer employed by the Companies are not required to contact the Receivers and Managers and should continue to liaise with KordaMentha regarding the payment of their outstanding wages and other outstanding employee entitlements to the date of the Administrators' appointment.

Queries from all employees both past and present, regarding the repayment of outstanding wages and other outstanding employee entitlements should continue to be directed to KordaMentha by email at aurora@kordamentha.com. We will endeavour to address each of your queries in a timely manner.

Employee entitlements

The Administrators are currently reviewing the books and records of HeadCo to calculate the entitlements that are owing to you as at the date of our appointment.

We understand that employees are owed approximately one (1) month's wages prior to the appointment of the Administrators.

Employees, other than directors or their related persons, have a statutory priority of payment in respect of outstanding entitlements such as wages, superannuation, annual leave, long service leave, payment in lieu of notice and redundancy.

Unfortunately, the Administrators have insufficient funds to process the payment of outstanding wages and employee entitlements at this time. If the Companies are placed into liquidation at the second meeting of creditors, you may be entitled to lodge a claim with the Commonwealth Government under the Fair Entitlement Guarantee Scheme ('FEG').

The second meeting of a company in administration must be called within 25 business days from the commencement of the administration, unless this period is extended by order of the Court.

Fair Entitlement Guarantee

FEG is a legislative safety net scheme operated by the Commonwealth Government for employees of insolvent entities that have been placed in liquidation. Under the scheme, you may be able to claim for

amounts owing for wages, annual leave, long service leave, payment in lieu of notice and redundancy. Please note that FEG does not cover unpaid employer superannuation contributions and has certain eligibility criteria.

FEG assesses your claim in conjunction with information provided to them by us. Subject to the approval of your claim, FEG will then transfer to you the amount, net of tax, to which you are entitled. General information can be found at [Fair Entitlements Guarantee \(FEG\)](https://www.dewr.gov.au/fair-entitlements-guarantee) at <https://www.dewr.gov.au/fair-entitlements-guarantee>.

The liquidator(s) will advise you in due course if it is appropriate for you to make a claim under the scheme. A claim under the FEG scheme must be made within 12 months of the termination of your employment or the date of the insolvency event (whichever is the latter).

What are your rights as a creditor?

Information regarding your rights as a creditor is provided in the information sheet enclosed at Appendix 2, being 'Creditors Rights in Voluntary Administration' issued by the Australian Restructuring Insolvency and Turnaround Association ('ARITA'). This includes your right to:

- Make reasonable requests for information
- Give directions to us
- Appoint a reviewing liquidator
- Replace us as voluntary administrators.

What happens to your debt?

All creditors of the Companies are now creditors in the voluntary administrations.

It is important to note that a voluntary administration creates restrictions on creditors being able to enforce their rights. You generally cannot enforce your claim, recover your property, enforce your security, commence an action to place the Company into liquidation or act on a personal guarantee.

Meeting of creditors

The First Meeting of Creditors pursuant to Section 436E of the Act will be held on 12 July 2023 at 3:30 pm AEST by way of virtual meeting facilities. Notice of the First Meetings of Creditors of the respective Companies under Administration is attached at Appendix 3. The purpose of these meetings is to determine:

- a. whether to appoint a Committee of Inspection in each Administration
- b. if so, who are to be the Committee's members in each Administration.

At these meetings, creditors may also resolve to remove us as Administrators and appoint someone else.

What you need to do to attend the virtual First Meeting of Creditors:

1. If you are representing a company that is a creditor of the Companies, or are an individual appointing someone to represent you, complete and lodge an Appointment of Proxy Form (a blank form is enclosed at Appendix 4).
2. Complete a notice of virtual attendance at meeting form if you wish to attend in your own capacity (a blank form is enclosed at Appendix 5.)
3. Once the documentation has been verified, you will receive a link to the online meeting to be held via virtual meeting facilities.

You are required to complete the above steps by no later than 3.30 pm AEST, 11 July 2023.

Employees are not required to submit a proof of debt for the purposes of voting at the First Meetings of Creditors.

To attend the first meetings, employees are only required to complete and return:

- the notice of virtual attendance at meetings or;
- a proxy form (if they wish to appoint somebody else to vote on their behalf at the meetings)

All physical forms should be sent to aurora@kordamentha.com or by mail to KordaMentha at PO Box 1486, Townsville QLD 4810. Due to possible delays in the delivery of mail, we recommend lodgement by email.

Proxy forms

If you are representing a company, please ensure that your Proxy Form is executed pursuant to Section 127 of the Act or your representative is appointed pursuant to Section 250D of the Act, otherwise you will not be entitled to vote at the meetings.

You can appoint the chairperson of the meetings or another person as your proxy and direct the chairperson or that person how you wish your vote to be cast. If you choose to do this, the chairperson or that person must cast your vote as directed.

Proxy Forms must be received **no later than 3:30pm AEST on the last business day prior to the meeting, being 11 July 2023**, failing which creditors or their proxies may be excluded from voting at the meeting. They may be mailed to PO Box 1486, Townsville QLD 4810, or scanned and emailed to aurora@kordamentha.com.

General information regarding the conduct of meetings of creditors and the completion of proxy forms can be found on our website www.kordamentha.com in the [Creditors section](#).

Do you have to do anything?

You should now:

- read this information
- decide whether you are going to attend the first meeting virtually or appoint a proxy to attend on your behalf, and
- complete and return your **Proxy Form** if you are going to appoint someone else to attend on your behalf **by 3.30 pm AEST, 11 July 2023**.
- complete and return your **Notice of Virtual Attendance at Meeting Form** if you are going to attend in your own capacity **by 3.30 pm AEST, 11 July 2023**.

Please note the Administrators will be attempting to calculate employee entitlements prior to the first meetings of creditors. We will admit employees for the purpose of voting for the amount owing to you in accordance with HeadCo's books and records without the need for employees to return a Proof of Debt Form. A further assessment of your entitlements will be made during the administration of the Companies, which will be sent to you.

If you do not think you are a creditor, please let us know.

Second meeting of creditors

We will hold second meetings of creditors in due course. The purpose of these meetings is for creditors to consider our report and vote on the future of the Companies. Before that meeting, you will be sent the notices of meeting and a detailed report which includes the options for the future of the Companies. We will also give our opinion as to what option we think is in the best interests of creditors.

Committee of Inspection

At this meeting, creditors will consider whether a Committees of Inspection should be appointed in each administration. The role of a Committee of Inspection is to consult with the Administrators and receive reports on the conduct of the administration. A Committee of Inspection can also approve the Administrators' fees.

It is our opinion that a Committee of Inspection would be useful to assist with the conduct of HeadCo administration. An information sheet on the role of a Committee of Inspection is enclosed at Appendix 6. You should consider whether you would like to act as a member of the Committee of Inspection.

With respect to the Subsidiaries, it is our opinion that Committees of Inspection are not required for any of these administrations for the following reasons:

- The main business of the Companies was conducted through HeadCo.
- Based on our current understanding of the Companies finances, there appears to be limited creditors in the Subsidiaries to warrant setting up Committees of Inspection.

We note that employees are creditors of HeadCo only as this is the entity that they were employed by. As such employees cannot vote on the appointment of a committee for each of the subsidiary administrations.

Administrators' remuneration and disbursements

Our remuneration is paid from the Companies funds, including realisations from assets or from money paid to us by others, such as the Companies directors. If there is not enough money in the administration, we may not get paid for all the time we spend on the administration. If there is no money in the administration, we will not get paid at all. However, we will still attend to our statutory duties.

Approval of our remuneration for the work that we do in completing the administration and internal disbursements may be sought from the creditors or, in respect of remuneration only, a Committee of Inspection, if any are appointed. If we do seek approval, detailed information will be provided before requesting approval so that the approving parties can understand what tasks we have undertaken and the costs of those tasks. It will also explain what the internal disbursements were for and how they were calculated. Approval may be sought at a meeting of creditors or by resolution by proposal without a meeting (i.e. all the information is sent to you and you send back your response).

Enclosed at Appendix 7 is our Initial Remuneration Notice. This document provides you with information about how we propose to be remunerated for undertaking the administrations and how disbursements may be calculated and incurred.

Notice of Court Orders

Please find attached at Appendix 8 Court Orders made on 4 July 2023 with respect to:

- The Administrators' Application made under sections 447A and/or 447C of the Act for orders to confirm, or alternatively validate, the appointment of the administrators to Aurora Metals Limited (Administrators Appointed) and its subsidiaries.
- Application made by Pit N Portal Mining Services Pty Ltd under section 588FM of the Act for orders extending the time to lodge financing statements on the PPSR for the purposes of section 588FL(2)(b)(iv) of the Act.

In accordance with the terms of these Court Orders, we are required to provide a copy of the Orders to all creditors.

Further information available to creditors

ARITA provides information to assist creditors with understanding voluntary administrations and insolvency. This information is available from ARITA's website at www.arita.com.au/creditors.

ASIC also provides information sheets on a range of insolvency topics. These information sheets can be accessed on ASIC's website at www.asic.gov.au/insolvencyinfosheets.

The privacy of your information

We may collect personal information either from you, the Companies or otherwise in connection with the amount owed to you by the Companies. KordaMentha takes all reasonable steps to protect the personal information we hold about you from misuse and loss and from unauthorised access, modification or disclosure. From time to time, we may need to disclose personal information regarding you to a third party, such as a regulatory body. Except for certain disclosures required by the Act, such disclosures will be made on a confidential basis and, where possible, will require the third party to comply with appropriate privacy obligations.

If you would like to access or change the personal information KordaMentha holds about you, you can contact the contact person detailed in this letter at KordaMentha and request the relevant change or access. To action any change or access request, we will need to verify your identity and comply with our other procedures which are in place to prevent unauthorised access to personal information. If you have a complaint in relation to the privacy of your information, please contact privacy@kordamentha.com. Our privacy policy can be found on the KordaMentha website.

Other information

Thank you for your assistance in this matter and should you require any further information, please do not hesitate to contact our team by email at aurora@kordamnth.com.

Yours faithfully



Tony Miskiewicz
Administrator

Enc.

Appendix 1 – Declarations of Relevant Relationships and Indemnities

Corporations Act 2001

Declaration of independence, relevant relationships and indemnities

Aurora Metals Limited ACN 126 634 606 (Administrators Appointed) ('the Company')

The purpose of this document is to assist creditors with understanding any relevant relationships that we, the Voluntary Administrators, have with parties who are closely connected to the Company and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of us, Richard Tucker, David Osborne and Tony Miskiewicz, our partners and the KordaMentha Group, including the entities disclosed on the Creditors page on the KordaMentha website: [DIRRI - listing of associated KordaMentha entities](#).

We are Professional Members of the Australian Restructuring Insolvency and Turnaround Association ('ARITA'). We acknowledge that we are bound by the ARITA Code of Professional Practice.

Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

Circumstances of appointment

How we were referred this appointment

This appointment was referred to us by a secured creditor of the Company, Emeco International Pty Limited, and its subsidiary, Pit N Portal Mining Services Pty Ltd (collectively 'Emeco'). We held discussions with Emeco between 27 June 2023 and 30 June 2023 to understand the financial position of the Company and prepare for a potential appointment as Voluntary Administrators. We were subsequently appointed as Voluntary Administrators of the Company on 30 June 2023 pursuant to Section 436C of the Corporations Act 2001.

We believe that this referral does not result in a conflict of interest or duty because:

- Emeco has not previously referred any insolvency type matters to us or our firm.
- We have not identified any issues in relation to this relationship that would give rise to a conflict in undertaking the external administrations of the Company. This relationship has not impeded our independence.
- Referrals from secured creditors are commonplace and do not impact on our independence in carrying out our duties as Voluntary Administrators.

There is no expectation, agreement or understanding between us and Emeco regarding the conduct of the voluntary administration and we are free to act independently and in accordance with the law and applicable professional standards.

Did we meet with the Company, the directors or their advisers before we were appointed?

☒ Yes No

We had three telephone conversations with Mr Xudai Sun, an alternate director of the Company, during the period from 29 June 2023 to 30 June 2023 prior to our appointment.

These telephone conversations were brief and informal and were for the purpose of obtaining sufficient information about the Company.

We did not receive any remuneration in relation to these discussions.

We believe that these meetings do not affect our independence for the following reasons:

- The Courts and the ARITA Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Company is such that it would not be subject to review and challenge during the course of the voluntary administrations and any subsequent liquidations.
- The pre-appointment advice will not influence our ability to be able to fully comply with statutory and fiduciary obligations associated with the voluntary administrations of the Company in an objective and impartial manner.

We have not provided any other information or advice to the Company, their directors or their advisors prior to our appointment beyond that outlined in this declaration.

Declaration of relationships

Within the previous two years, we have considered whether we have or our firm has had a relationship with the following entities:

Entity	Nature of relationship	
The Company	☐ Yes	☒ No
The directors of the Company	☐ Yes	☒ No
Any associates of the Companies	☒ Yes	☐ No

Group Appointments

Name

Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610
Auctus Chillagoe Pty Ltd ACN 605 055 285
Auctus Resources Pty Ltd ACN 136 606 338
Auctus Minerals Pty Ltd ACN 602 411 852
CTM Alluvial Pty Ltd ACN 137 305 947
Colinacobre Pty Ltd ACN 601 312 207
Surveyor Mining Pty Ltd ACN 601 108 776
Nyngan Gold Pty Ltd ACN 154 650 585
Vison Exploration Pty Ltd ACN 161 881 018
Twilight Exploration Pty Ltd ACN 161 880 995
Thesaurus Exploration Pty Ltd ACN 163 781 342
(All Administrators Appointed)
(together 'the Subsidiaries')

Nature of the relationship

We were appointed as Voluntary Administrators of the Subsidiaries on the same day as our appointment as Voluntary Administrators of the Company.

Entity**Nature of relationship****Reasons why not an impediment or conflict**

In our opinion, this relationship does not result in a conflict of interest or duty as the Subsidiaries and the Company operate the business in conjunction with each other. The nature of the business operations means that the voluntary administrations can be conducted more efficiently by the same practitioners.

It is acknowledged that we have been appointed over 12 related companies and we have obligations to each of the companies individually (as defined in Section 435A of the Corporations Act 2001) and not to the group as a whole. As such, it is acknowledged that potential conflicts could possibly arise in carrying out duties to each company. We are not aware of any such conflicts at this time. If a conflict does arise, we will keep creditors informed and take appropriate action to resolve the conflict.

A former insolvency practitioner appointed to the Company

☐ Yes ☒ No

A secured creditor entitled to enforce a security over the whole or substantially the whole of the Company's property

☒ Yes ☐ No

Emeco**Nature of the relationship**

KordaMentha held discussions with the secured creditor, Emeco, regarding the financial position of the Company prior to our appointment as Voluntary Administrators. We did not issue any report to the secured creditor, nor did we receive fees relating to these pre appointment discussions.

Reasons why not an impediment or conflict

In our opinion, this relationship does not result in a conflict of interest or duty as KordaMentha has never undertaken any work for the above secured creditor in respect of the Company.

Furthermore, in our opinion, the discussions held with the secured creditor prior to our appointment as Voluntary Administrators does not result in a conflict of interest or duty as the discussions assisted us in developing an understanding of the Company and its activities. The nature of the discussions were not of the nature that it would be subject to review and challenge during the course of the voluntary administration and any subsequent liquidation.

We have also considered whether there are any other relationships that are relevant to creditors in assessing our independence and these are listed below:

Entity	Nature of the relationship
Australian Taxation Office ('ATO')	KordaMentha undertakes work from time to time on behalf of the ATO. This includes the appointment of KordaMentha's registered liquidators to companies as a formal appointment where the ATO has asked us to consent to act as liquidators. Reasons why not an impediment or conflict In our opinion, this relationship does not result in a conflict of interest or duty as we have not identified any issue in relation to this relationship that would give rise to a conflict in undertaking the administrations of the Company. This relationship has not impeded our independence.
Relationships from more than 2 years ago	Richard Tucker and John Bumbak of KordaMentha previously acted as Voluntary Administrators and subsequently as Deed Administrators of the following entities: • Auctus Minerals Pty Ltd ACN 602 411 852 • Auctus Resources Pty Ltd ACN 136 606 338 (collectively, 'the Auctus Entities'). The appointment as Voluntary Administrators was for the period 20 March 2020 to 18 August 2020. The appointment as deed administrators was for the period 18 August 2020 to 25 May 2021. These entities are subsidiaries of the Company, and we were appointed Voluntary Administrators of the Auctus Entities immediately subsequent to our appointment as Voluntary Administrators of the Company. Reasons why not an impediment or conflict In our opinion, this relationship does not result in a conflict of interest or duty as the voluntary administrations of the Auctus Entities is completely unrelated to the prior insolvency of the Auctus Entities. The Auctus Entities were owned by a different shareholder at the time of appointment and now have different directors to the previous appointment. The appointment to the Auctus Entities commenced over three years ago, ceased over two years ago, and except for the conduct of the external administrations of the Auctus Entities, we have had no contact with the Company or the Subsidiaries other than the Auctus Entities. The role undertaken by Richard Tucker and John Bumbak as Voluntary Administrators and Deed Administrators will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the voluntary administrations and any subsequent liquidations of the Companies in an objective and impartial manner.

Indemnities and upfront payments

Indemnities

We have not been indemnified in relation to the voluntary administrations, other than any indemnities that we may be entitled to under statute.

Upfront payments

We have not been provided with any upfront payments in relation to the voluntary administrations. However, we have received the following binding term sheet for funding to be provided during the voluntary administrations.

Name	Nature of indemnity
Avior Capital – no existing relationship with the Company.	Avior Capital has provided a binding term sheet to provide up to \$10 million in working capital funding for the costs associated with the voluntary administration of the Company, and voluntary administrations of the Subsidiaries. These amounts are a loan to the Company and the Subsidiaries, which the Company and the Subsidiaries are fully liable to repay. The Voluntary Administrators are only liable to repay the amounts to the extent of our recourse against the assets of the Company and the Subsidiaries. The facility is conditional on Emeco continuing to provide critical care and maintenance services to preserve the value of the project and includes terms negotiated between Avior and Emeco in that regard.

General

The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional standards.

As required under the Corporations Act 2001 and the ARITA Code of Professional Practice, if circumstances change, or new information is identified, we will update this declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the Company's creditors. This declaration, along with any replacement declaration, will be lodged with the Australian Securities and Investments Commission as soon as practical.

Dated: 30 June 2023



Richard Tucker
Voluntary Administrator



Tony Miskiewicz
Voluntary Administrator



David Osborne
Voluntary Administrator

KordaMentha
Level 10, 40 St Georges Terrace
Perth WA 6000
Australia

Corporations Act 2001

Declaration of independence, relevant relationships and indemnities

Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610

Auctus Chillagoe Pty Ltd ACN 605 055 285

Auctus Resources Pty Ltd ACN 136 606 338

Auctus Minerals Pty Ltd ACN 602 411 852

CTM Alluvial Pty Ltd ACN 137 305 947

Colinacobre Pty Ltd ACN 601 312 207

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Nyngan Gold Pty Ltd ACN 154 650 585

Vison Exploration Pty Ltd ACN 161 881 018

Twilight Exploration Pty Ltd ACN 161 880 995

Thesaurus Exploration Pty Ltd ACN 163 781 342

(All Administrators Appointed)

(together 'the Companies')

The purpose of this document is to assist creditors with understanding any relevant relationships that we, the Voluntary Administrators, have with parties who are closely connected to the Companies and any indemnities or upfront payments that have been provided to us. None of the relationships disclosed in this document are such that our independence is affected.

This information is provided so you have trust and confidence in our independence and, if not, you can ask for further explanation or information and can act to remove and replace us if you wish.

This declaration is made in respect of us, Richard Tucker, David Osborne and Tony Miskiewicz, our partners and the KordaMentha Group, including the entities disclosed on the Creditors page on the KordaMentha website:

[DIRRI - listing of associated KordaMentha entities.](#)

We are Professional Members of the Australian Restructuring Insolvency and Turnaround Association ('ARITA'). We acknowledge that we are bound by the ARITA Code of Professional Practice.

Independence

We have assessed our independence and we are not aware of any reasons that would prevent us from accepting this appointment.

There are no other known relevant relationships, including personal, business and professional relationships that should be disclosed beyond those we have disclosed in this document.

Circumstances of appointment

How we were referred this appointment

We were appointed Voluntary Administrators of Aurora Metals Limited (Administrators Appointed) (ACN 126 634 606) ('Aurora Metals') on 30 June 2023 pursuant to Section 436C of the Corporations Act 2001 ('the Act'). Subsequent to this appointment, the former directors of the Companies, Ralph De Lacey, Ze Huang Cai and Yading Wan ('Former Directors') were removed from their role as directors on 30 June 2023, with Edmond Yong Lern Tan and James Alexander Titcombe ('Current Directors') appointed directors of the Companies immediately

subsequent, via resolutions by shareholder pursuant to Section 249B of the Act. The respective resolutions by shareholder were passed by the following entities.

Entity the resolution applied to	Shareholder who passed the resolution
Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610 (Administrators Appointed)	Aurora Metals Limited ACN 126 634 606 (Administrators Appointed)
Auctus Chillagoe Pty Ltd ACN 605 055 285 (Administrators Appointed)	Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610 (Administrators Appointed)
Auctus Resources Pty Ltd ACN 136 606 338 (Administrators Appointed)	Auctus Chillagoe Pty Ltd ACN 605 055 285 (Administrators Appointed)
Auctus Minerals Pty Ltd ACN 602 411 852 (Administrators Appointed)	Aurora Metals Limited ACN 126 634 606 (Administrators Appointed)
CTM Alluvial Pty Ltd ACN 137 305 947 (Administrators Appointed)	Aurora Metals Limited ACN 126 634 606 (Administrators Appointed)
Colinacobre Pty Ltd ACN 601 312 207 (Administrators Appointed)	Aurora Metals Limited ACN 126 634 606 (Administrators Appointed)
Surveyor Mining Pty Ltd ACN 601 108 776 (Administrators Appointed)	Aurora Metals Limited ACN 126 634 606 (Administrators Appointed)
Nyngan Gold Pty Ltd ACN 154 650 585 (Administrators Appointed)	Auctus Resources Pty Ltd ACN 136 606 338 (Administrators Appointed)
Vison Exploration Pty Ltd ACN 161 881 018 (Administrators Appointed)	Auctus Resources Pty Ltd ACN 136 606 338 (Administrators Appointed)
Twilight Exploration Pty Ltd ACN 161 880 995 (Administrators Appointed)	Auctus Resources Pty Ltd ACN 136 606 338 (Administrators Appointed)
Thesaurus Exploration Pty Ltd ACN 163 781 342 (Administrators Appointed)	Auctus Resources Pty Ltd ACN 136 606 338 (Administrators Appointed)

Following the appointment of the Current Directors, we were appointed Voluntary Administrators of the Companies by the Current Directors on 30 June 2023 pursuant to Section 436A of the Act.

We believe that the appointment does not result in a conflict of interest or duty because:

- The Current Directors have not previously referred any insolvency type matters to us or our firm.
- We have not identified any issues in relation to this relationship that would give rise to a conflict in undertaking the external administrations of the Companies. This relationship has not impeded our independence.
- Referrals from secured creditors are commonplace and do not impact on our independence in carrying out our duties as Voluntary Administrators.

There is no expectation, agreement or understanding between us and the Current Directors regarding the conduct of the voluntary administrations and we are free to act independently and in accordance with the law and applicable professional standards.

Did we meet with the Company, the directors or their advisers before we were appointed?

☒ Yes ☐ No

We had three telephone conversations with Mr Xudai Sun, an alternate director of Aurora Metals, prior to our appointment during the period from 29 June 2023 to 30 June 2023.

These telephone conversations were brief and informal and were for the purposes of:

- Obtaining sufficient information about the Companies.

We did not receive any remuneration in relation to these discussions.

We believe that these meetings do not affect our independence for the following reasons:

- The Courts and the ARITA Code of Professional Practice specifically recognise the need for practitioners to provide advice on the insolvency process and the options available and do not consider that such advice results in a conflict or is an impediment to accepting the appointment.
- The nature of the advice provided to the Companies is such that it would not be subject to review and challenge during the course of the voluntary administrations and any subsequent liquidations.
- The pre-appointment advice will not influence our ability to be able to fully comply with statutory and fiduciary obligations associated with the voluntary administrations of the Companies in an objective and impartial manner.

We have not provided any other information or advice to the Companies, their directors or their advisors prior to our appointment beyond that outlined in this declaration.

Declaration of relationships

Within the previous two years, we have considered whether we have or our firm has had a relationship with the following entities:

Entity	Nature of relationship	
The Companies	☐ Yes	☒ No
The directors of the Companies	☐ Yes	☒ No
Any associates of the Companies	☒ Yes	☐ No

Group Appointments

Name

Aurora Metals Limited (Administrators Appointed) – the ultimate holding company of the Companies.

Nature of the relationship

We were appointed as Voluntary Administrators of Aurora Metals on the same day as our appointment as Voluntary Administrators of the Companies.

Reasons why not an impediment or conflict

In our opinion, this relationship does not result in a conflict of interest or duty as Aurora Metals and the Companies operate the business in conjunction with each other. The nature of the business operations means that the voluntary administrations can be conducted more efficiently by the same practitioners.

It is acknowledged that we have been appointed over 12 related companies and we have obligations to each of the companies individually (as defined in Section 435A of the Corporations Act 2001) and not to the group as a whole. As such, it is acknowledged that potential conflicts could possibly arise in carrying out duties to each company. We are not aware of any such conflicts at this time. If a conflict does arise, we will keep creditors informed and take appropriate action to resolve the conflict.

A former insolvency practitioner appointed to the Companies	☐ Yes	☒ No
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Entity	Nature of relationship
A secured creditor entitled to enforce a security over the whole or substantially the whole of the Companies' property	☒ Yes ☐ No

Emeco

Nature of the relationship

KordaMentha held discussions with the secured creditor (Emeco International Pty Limited) regarding the financial position of the Companies prior to our appointment as Voluntary Administrators. We did not issue any report to the secured creditor, nor did we receive fees relating to these pre appointment discussions.

Reasons why not an impediment or conflict

In our opinion, this relationship does not result in a conflict of interest or duty as KordaMentha has never undertaken any work for the above secured creditor in respect of the Companies.

Furthermore, in our opinion, the discussions held with the secured creditor prior to our appointment as Voluntary Administrators does not result in a conflict of interest or duty as the discussions assisted us in developing an understanding of the Companies and their activities. The nature of the discussions were not of the nature that it would be subject to review and challenge during the course of the voluntary administration and any subsequent liquidation

We have also considered whether there are any other relationships that are relevant to creditors in assessing our independence and these are listed below:

Entity	Nature of the relationship
Australian Taxation Office ('ATO')	KordaMentha undertakes work from time to time on behalf of the ATO. This includes the appointment of KordaMentha's registered liquidators to companies as a formal appointment where the ATO has asked us to consent to act as liquidators. Reasons why not an impediment or conflict In our opinion, this relationship does not result in a conflict of interest or duty as we have not identified any issue in relation to this relationship that would give rise to a conflict in undertaking the administrations of the Companies. This relationship has not impeded our independence.
Relationships from more than 2 years ago	Richard Tucker and John Bumbak of KordaMentha previously acted as Voluntary Administrators and subsequently as Deed Administrators of the following entities: • Auctus Minerals Pty Ltd ACN 602 411 852 • Auctus Resources Pty Ltd ACN 136 606 338 (collectively, 'the Auctus Entities').

Entity	Nature of the relationship
	The appointment as Voluntary Administrators was for the period 20 March 2020 to 18 August 2020. The appointment as deed administrators was for the period 18 August 2020 to 25 May 2021. Reasons why not an impediment or conflict In our opinion, this relationship does not result in a conflict of interest or duty as the voluntary administrations of the Companies is completely unrelated to the prior insolvency of the Auctus Entities. The Auctus Entities were owned by a different shareholder at the time of appointment and now have different directors to the previous appointment. The appointment to the Auctus Entities commenced over three years ago, ceased over two years ago, and except for the conduct of the external administrations of the Auctus Entities, we have had no contact with the Companies other than the Auctus Entities. The role undertaken by Richard Tucker and John Bumbak as Voluntary Administrators and Deed Administrators will not influence our ability to fully comply with the statutory and fiduciary obligations associated with the voluntary administrations and any subsequent liquidations of the Companies in an objective and impartial manner.

Indemnities and upfront payments

Indemnities

We have not been indemnified in relation to the voluntary administrations, other than any indemnities that we may be entitled to under statute.

Upfront payments

We have not been provided with any upfront payments in relation to the voluntary administrations. However, we have received the following binding term sheet for funding to be provided during the voluntary administrations.

Name	Nature of indemnity
Avior Capital – no existing relationship with the Companies.	Avior Capital has provided a binding term sheet to provide up to \$10 million in working capital funding for the costs associated with the voluntary administration of Aurora Metals and the voluntary administrations of the Companies. These amounts are a loan to the Aurora Metals and the Companies, which Aurora Metals and the Companies are fully liable to repay. The Voluntary Administrators are only liable to repay the amounts to the extent of our recourse against the assets of the Aurora Metals and the Companies. The facility is conditional on Emeco continuing to provide critical care and maintenance services to preserve the value of the project and includes terms negotiated between Avior and Emeco in that regard.

General

The assessment of independence has been made based on an evaluation of the significance of any threats to independence and in accordance with the requirements of the relevant legislation and professional standards.

As required under the Corporations Act 2001 and the ARITA Code of Professional Practice, if circumstances change, or new information is identified, we will update this declaration and provide a copy to creditors with our next communication as well as table a copy of any replacement declaration at the next meeting of the Companies' creditors. This declaration, along with any replacement declaration, will be lodged with the Australian Securities and Investments Commission as soon as practical.

Dated: 30 June 2023



Richard Tucker
Voluntary Administrator



Tony Miskiewicz
Voluntary Administrator



David Osborne
Voluntary Administrator

KordaMentha
Level 10, 40 St Georges Terrace
Perth WA 6000
Australia

Appendix 2 – ARITA information sheet on creditors rights

Creditor Rights in Voluntary Administrations

As a creditor, you have rights to request meetings and information or take certain actions:



Right to request information

Information is communicated to creditors in a voluntary administration through reports and meetings.

In a voluntary administration, two meetings of creditors are automatically held. You should expect to receive reports and notice of these meetings:

- The first meeting is held within 8 business days of the voluntary administrator's appointment. A notice of meeting and other information for this meeting will be issued to all known creditors.
- The second, or decision, meeting is usually held within 6 weeks of the appointment, unless an extension is granted. At this meeting, creditors will get to make a decision about the company's future. Prior to this meeting the voluntary administrator will provide creditors with a notice of the meeting and a detailed report to assist in making your decision.

Important information will be communicated to creditors prior to and during these meetings. Creditors are unable to request additional meetings in a voluntary administration.

Creditors have the right to request information at any time. A voluntary administrator must provide a creditor with the requested information if their request is 'reasonable', the information is relevant to the voluntary administration, and the provision of the information would not cause the voluntary administrator to breach their duties.

A voluntary administrator must provide this information to a creditor within 5 business days of receiving the request, unless a longer period is agreed. If, due to the nature of the information requested, the voluntary administrator requires more time to comply with the request, they can extend the period by notifying the creditor in writing.

Requests must be reasonable.

They are not reasonable if:

- (a) complying with the request would prejudice the interests of one or more creditors or a third party
- (b) the information requested would be privileged from production in legal proceedings
- (c) disclosure would found an action for breach of confidence
- (d) there is not sufficient available property to comply with the request
- (e) the information has already been provided
- (f) the information is required to be provided under law within 20 business days of the request
- (g) the request is vexatious

If a request is not reasonable due to (d), (e) or (f) above, the voluntary administrator must comply if the creditor meets the cost of complying with the request.

Otherwise, a voluntary administrator must inform a creditor if their information request is not reasonable and the reason why.

Right to give directions to voluntary administrator

Creditors, by resolution, may give a voluntary administrator directions in relation to a voluntary administration. A voluntary administrator must have regard to these directions, but they are not required to comply with the directions.

If a voluntary administrator chooses not to comply with a direction given by a resolution of the creditors, they must document their reasons for not complying.

An individual creditor cannot provide a direction to a voluntary administrator.

Right to appoint a reviewing liquidator

Creditors, by resolution, may appoint a reviewing liquidator to review a voluntary administrator's remuneration or a cost or expense incurred in a voluntary administration. The review is limited to:

- remuneration approved within the six months prior to the appointment of the reviewing liquidator, and
- expenses incurred in the 12 months prior to the appointment of the reviewing liquidator.

The cost of the reviewing liquidator is paid from the assets of the voluntary administration, in priority to creditor claims.

An individual creditor can appoint a reviewing liquidator with the voluntary administrator's consent, however the cost of this reviewing liquidator must be met personally by the creditor making the appointment.

Right to replace voluntary administrator

At the first meeting, creditors have the right to remove a voluntary administrator and appoint another registered liquidator to act as voluntary administrator.

A creditor must ensure that they have a consent from another registered liquidator prior to the first meeting if they wish to seek the removal and replacement of a voluntary administrator.

Creditors also have the opportunity to replace a voluntary administrator at the second meeting of creditors:

- If creditors vote to accept a proposed deed of company arrangement, they can appoint a different registered liquidator as the deed administrator.
- If creditors vote to place the company into liquidation, they can appoint a different registered liquidator as the liquidator.

It is however usual for the voluntary administrator to act as deed administrator or liquidator. It would be expected that additional costs would be incurred by an alternate deed administrator or liquidator to gain the level of knowledge of the voluntary administrator.

Like with the first meeting, a creditor must ensure that they have a consent from another registered liquidator prior to the second meeting if they wish to seek to appoint an alternative registered liquidator as deed administrator or liquidator.

**For more information, go to www.arita.com.au/creditors.
Specific queries about the voluntary administration should be directed to the voluntary administrator's office.**

Appendix 3 – Notice of Meetings of Creditors

Corporations Act 2001

Notice of first meetings of creditors of companies under administration

Aurora Metals Limited ACN 126 634 606 ('the HeadCo')
Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610
Auctus Chillagoe Pty Ltd ACN 605 055 285
Auctus Resources Pty Ltd ACN 136 606 338
Auctus Minerals Pty Ltd ACN 602 411 852
CTM Alluvial Mining Pty Ltd ACN 137 305 947
Colinacobre Pty Ltd ACN 601 312 207
Surveyor Mining Pty Ltd ACN 601 108 776
Nyngan Gold Pty Ltd ACN 154 650 585
Vision Exploration Pty Ltd ACN 161 881 018
Twilight Exploration Pty Ltd ACN 161 880 995
Thesaurus Exploration Pty Ltd ACN 163 781 342 ('the Subsidiaries')
(All Administrators Appointed)
(together 'the Companies')

Notice is given that Richard Tucker, David Osborne and Tony Miskiewicz of KordaMentha, Level 6, 75 Denham Street, Townsville QLD 4810 were appointed Administrators of the Companies on Friday, 30 June 2023 pursuant to Sections 436C and 436A of the Corporations Act ('the Act').

Notice is also given that the first meetings of creditors of the Companies will be held pursuant to Section 436E of the Act on **12 July 2023 at 3:30pm AEST**. This will be a virtual meeting only – no in-person attendance will be allowed. In the minutes, the notional physical location of the virtual meeting will be recorded as Level 6, 75 Denham Street, Townsville QLD 4810. Online registration for all creditors and employees will open 5 minutes prior to the commencement of the meeting at 3:25pm.

Agenda

1. The purpose of the meeting is to determine:
 - a. Whether to appoint a Committee of Inspection in each of the administrations
 - b. If so, who are to be the Committee's members in each of the administrations.
2. At the meeting, creditors may also, by resolution:
 - a. Remove the Administrators from office.
 - b. Appoint someone else as Administrator(s) of the Companies.

Creditors who are a company and wish to vote at a meeting must complete and return a Proxy Form for each company where they are a creditor, 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 3:30pm AEST on the last business day prior to the meeting, being 11 July 2023. Send the forms by email to aurora@kordamentha.com or send by mail to PO Box 1486, Townsville QLD 4810. Due to possible delays in the delivery of mail, we recommend email. Proxy Forms for each Company are enclosed at Appendix 5.

Virtual meeting facilities have been organised for this meeting. You can either listen to the meeting or view and listen to the meeting. Either way, you will be able to ask questions and vote on resolutions. To view and/or listen to the meeting, the details and a link will be emailed to you once you indicate to us that you are attending virtually. To attend virtually, we require some information from you. If you are appointing a proxy, the information required is requested in the **Proxy Form**. If you are an individual, such as an employee or a sole trader, provide the required information by completing a **Notice of Virtual Attendance at Meeting Form**. These completed forms must be received no later than **3:30pm AEST on the last business day prior to the meeting, being 11 July 2023**. You will then be sent the conference call number and code or link to the meeting.

You may also wish to attend the meetings as an observer whereby you are not required to provide a proof of debt or proxy form. Simply advise our team by email at aurora@kordamentha.com that you wish to attend the meeting as an observer. You will be issued a link to the meetings. **Observers are not permitted to vote at the meetings.**

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 at Appendix 6.

Dated: 5 July 2023

A handwritten signature in black ink, appearing to read 'Tony Miskiewicz', written over a horizontal line.

Tony Miskiewicz
Administrator

KordaMentha
Level 6
75 Denham Street
Townsville QLD 4810

Enc.

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 4 – Proxy form

Appointment of Proxy

Aurora Metals Limited (Administrators Appointed)
ACN 126 634 606 ('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 12 July 2023 at 3:30pm AEST 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
That a committee of inspection be appointed in the voluntary administration 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.	☐	☐	☐	☐
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:

The common seal was affixed hereto in the presence of:

Director

Director/Company Secretary

Dated

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 3:30pm AEST on the last business day prior to the meeting, being 11 July 2023**. They can be sent by email to aurora@kordamentha.com, or sent by mail to KordaMentha at PO Box 1486 Townsville QLD 4810.

Appendix 5 – Notice of Virtual Attendance

Notice of virtual attendance at meeting

Aurora Metals Limited ACN 126 634 606 ('the HeadCo')

Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610

Auctus Chillagoe Pty Ltd ACN 605 055 285

Auctus Resources Pty Ltd ACN 136 606 338

Auctus Minerals Pty Ltd ACN 602 411 852

CTM Alluvial Mining Pty Ltd ACN 137 305 947

Colinacobre Pty Ltd ACN 601 312 207

Surveyor Mining Pty Ltd ACN 601 108 776

Nyngan Gold Pty Ltd ACN 154 650 585

Vision Exploration Pty Ltd ACN 161 881 018

Twilight Exploration Pty Ltd ACN 161 880 995

Thesaurus Exploration Pty Ltd ACN 163 781 342 ('the Subsidiaries')

(All Administrators Appointed)

(together 'the Companies')

Notice is given that virtual meeting facilities will be used for the meeting of creditors of the Companies to be held on **12 July 2023 at 3.30 pm AEST**.

Virtual meeting facilities have been organised for this meeting. You can either listen to the meeting or view and listen to the meeting. Either way, you will be able to ask questions and vote on resolutions. To view and/or listen to the meeting, the details and a link will be emailed to you once you indicate to us that you are attending virtually. To attend virtually, we require some information from you.

If you are appointing a proxy, the information required is requested in the **Proxy Form**.

If you are an individual, such as an employee or a sole trader, provide the required information by completing a **Notice of Virtual Attendance at Meeting Form**.

These completed forms must be received no later than 3.30 pm, on the last business day prior to the meeting, being 11 July 2023.

You will then be sent the link to the meeting. Send the forms by email to aurora@kordamentha.com or send by mail to PO Box 1486, Townsville QLD 4810. Due to possible delays in the delivery of mail, we recommend email. Note your name is likely to be visible to other attendees. This information is also required to be included on the attendance register and attached to the minutes, which are lodged with ASIC and are publicly available for a small fee.

The following details must be provided:

Name of Creditor:

Telephone contact and email address
details for the purpose of the meetings:

Tel:

Email:

Dated: 5 July 2023



Tony Miskiewicz
Administrator

KordaMentha
PO Box 3185
East Perth WA 6892

Appendix 6 – ARITA information sheet on COI

Information Sheet: Committees of Inspection

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

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

What is a COI?

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

Membership of the COI is a voluntary, unpaid position.

Who can be elected to a COI?

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

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

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

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

A member of a COI can be appointed by:

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

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

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

What are the roles and powers of a COI?

A COI has the following roles:

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

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

A COI also has the power to:

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

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

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

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

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

A request for information is unreasonable if:

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

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

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

How does the COI exercise its powers?

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

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

ASIC is entitled to attend any meeting of a COI.

What restrictions are there on COI members?

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

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

Where can you get more information?

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

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

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

Appendix 7 – Initial Remuneration Notice

Corporations Act 2001

Initial remuneration notice

Aurora Metals Limited ACN 126 634 606 ('the HeadCo')
Auctus Chillagoe Holdings Pty Ltd ACN 605 053 610
Auctus Chillagoe Pty Ltd ACN 605 055 285
Auctus Resources Pty Ltd ACN 136 606 338
Auctus Minerals Pty Ltd ACN 602 411 852
CTM Alluvial Mining Pty Ltd ACN 137 305 947
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Surveyor Mining Pty Ltd ACN 601 108 776
Nyngan Gold Pty Ltd ACN 154 650 585
Vision Exploration Pty Ltd ACN 161 881 018
Twilight Exploration Pty Ltd ACN 161 880 995
Thesaurus Exploration Pty Ltd ACN 163 781 342 ('the Subsidiaries')
(All Administrators Appointed)
(together 'the Companies')

The purpose of the Initial Remuneration Notice is to provide you with information about how our remuneration for undertaking the voluntary administrations will be set and how disbursements may be calculated and incurred.

Remuneration methods

There are four basic methods that may be used to calculate the remuneration of an external administrator. They are:

1. Time based or hourly rates – This is the most common method. The total fee charged is based on the hourly rate charged for each staff member based on their level of experience and multiplied by the number of hours spent by each staff member on each of the tasks performed.
2. Fixed fee – The total fee charged is normally agreed to, and quoted, at the commencement of the administration and is based on the anticipated work through the term of the administration. At times, an insolvency practitioner will finalise an administration for a fixed fee.
3. Percentage – The total fee is based on a percentage rate of a particular variable, such as the gross proceeds of all assets recovered in an administration.
4. Contingency – the fee is structured to be contingent on a particular outcome being achieved.

Remuneration method chosen

Given the nature of these administrations, remuneration will be calculated on the basis of an hourly rate charged for each person who carried out the work at the direction of the voluntary administrators multiplied by the number of hours spent by each person on each of the tasks performed as it fairly reflects the necessary work performed and overcomes the difficulty in identifying the scope of the work required, particularly on longer term engagements. It also ensures that creditors are only charged for work that is performed. This method is also chosen as there are a number of tasks that are required to be performed but do not relate to the realisation of assets, for example responding to creditor enquiries, reporting to the Australian Securities and Investments Commission and distributing funds to creditors.

Explanation of the KordaMentha rates

The current rates for our remuneration calculation are set out in the attached appendix together with a general guide showing the qualifications and experience of staff engaged in the administrations and the role they take in the administrations. These rates are multiplied by the time spent by the applicable staff member in completing tasks relating to the administrations as recorded in our time reporting system. The basis of our time reporting system is one of six minute time increments. This allows us to produce a detailed analysis of time spent on each type of task by each individual staff member utilised in the administrations. This method provides full accountability to creditors in the method of calculation.

The KordaMentha rates are subject to review and adjustment at 1 July each year to reflect changes in the cost base of the firm and changes in market conditions and rates for comparable insolvency firms. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Estimate of total remuneration

Based on the limited information we have at this early stage of the administrations, we estimate that these administrations will collectively cost between \$450,000 to \$600,000 (excluding GST), funds permitting. The total cost of the administrations will vary depending on the complexity and demands of the administrations and the work required to be performed by the voluntary administrators and our staff in respect of issues arising from the administrations. Any delays in the administrations could also cause the estimate to vary. These variables may have a significant effect on this estimate, however, we are unable to determine at this early stage of the administrations what the effect may be.

We did not provide an estimate of the cost of the administrations to any party prior to our appointment.

We have not been provided with any upfront payments in relation to the voluntary administrations. However, we have received the following binding term sheet for funding to be provided during the voluntary administrations.

- Avior Capital has provided a binding term sheet to provide up to \$10 million in working capital funding for the costs associated with the voluntary administration of the Companies. This amount is a loan to the Companies, which the Companies are fully liable to repay. The Voluntary Administrators are only liable to repay the amounts to the extent of our recourse against the assets of the Companies. The facility is conditional on Emeco International Pty Limited, a secured creditor, continuing to provide critical care and maintenance services to preserve the value of the project and includes terms negotiated between Avior Capital and Emeco in that regard.

Disbursements

Disbursements are divided into three types:

- Externally provided professional services – these are recovered at cost. An example of an externally provided professional service disbursement is legal fees.
- Externally provided non-professional costs – these are recovered at cost. Examples of externally provided professional service disbursements are travel, accommodation, search fees and lodgement fees.
- Internal disbursements – these are recovered on a reasonable commercial basis. These disbursements are generally charged at cost, though some may be charged at a rate which recoups both variable and fixed costs. Examples of internal disbursements include printing and postage costs, travel allowance and data room hosting.

We are not required to seek creditor approval for disbursements paid to third parties, but must account to creditors. However, we must be satisfied that these disbursements are appropriate, justified and reasonable.

We are required to obtain creditor's consent for the payment of internal disbursements. Creditors will be asked to approve our internal disbursements prior to these disbursements being paid from the administrations.

Details of the basis of recovering disbursements are included with the enclosed schedule titled KordaMentha Rates – National – FY2023.

Dated: 5 July 2023



Tony Miskiewicz
Administrator

Appendix 8 – Court Orders



Federal Court of Australia

District Registry: Western Australia

Division: General

No: WAD147/2023

IN THE MATTER OF AURORA METALS LIMITED (ADMINISTRATORS APPOINTED) (ACN 126 634 606) AND OTHERS NAMED IN THE SCHEDULE (COMPANIES)

RICHARD SCOTT TUCKER, ANTHONY JAY EDWARD MISKIEWICZ AND DAVID CHRISTOPHER OSBORNE IN THEIR CAPACITY AS JOINT AND SEVERAL VOLUNTARY ADMINISTRATORS OF THE COMPANIES named in the Schedule
Plaintiffs

ORDER

JUDGE: JUSTICE FEUTRILL

DATE OF ORDER: 04 July 2023

WHERE MADE: Perth

THE COURT ORDERS THAT:

1. Pursuant to rules 39.05(e), 39.05(g) and 39.05(h) of the *Federal Court Rules 2011* (Cth), paragraph 1 of the orders of 30 June 2023 be amended to insert the words ‘Aurora Metals Limited (Administrators Appointed) (ACN 120 634 606)’ before the words ‘the companies named in the schedule to these orders (**Group Companies**)’.
2. To the extent necessary, pursuant to section 447A of the *Corporations Act 2001* (Cth), part 5.3A of the Act is to operate in such a way as to:
 - (a) treat the appointment of Richard Scott **Tucker**, Anthony Jay Edward **Miskiewicz** and David Christopher **Osborne** as joint and several administrators of **Aurora Metals** Limited (Administrators Appointed) (ACN 120 634 606) on 30 June 2023 by **Pit N Portal Mining Services** Pty Ltd (ACN 116 432 814) as a valid appointment under section 436C of the Act on 30 June 2023; and
 - (b) treat the appointment of Tucker, Miskiewicz and Osborne as joint and several administrators of each of the other Group Companies (as described in the



orders of 30 June 2023) as a valid appointment under section 436A of the Act on 30 June 2023,

unless and until an order of the Court is made varying or setting aside paragraph 1 of the orders of the Court made on 4 July 2023 in proceedings WAD 149 of 2023 by which an order was made under section 588FM of the Act extending the time, to 22 June 2023, for registration in respect of any security interests granted by Aurora Metals in favour of Pit N Portal Mining Services and which arose under a general security agreement dated 28 April 2023 between Aurora Metals, as grantor, and Pit N Portal Mining Services, as grantee.

3. The costs of the relief sought in paragraphs 1 and 2 of the originating process be costs in the voluntary administration of the Group Companies.
4. The plaintiffs take steps to cause notice of these orders to be given, within one business day of making these orders to: (a) the creditors (including persons claiming to be creditors) of the Group Companies in the following manner: (i) where the plaintiffs have an email address for a creditor, by notifying each such creditor, via email of the making of the orders; (ii) where the plaintiffs do not have an email address, by publishing the orders on the website maintained by the plaintiffs, and (b) the Australian Securities and Investments Commission, by its email address.
5. Any person who can demonstrate a sufficient interest to vary or discharge paragraphs 2 and 3 of these orders (including any creditor of the Group Companies) has liberty to apply to the Court on two business days' written notice to the plaintiffs.
6. The plaintiffs have liberty to apply to vary or discharge any order made on the originating process.

Date that entry is stamped: 4 July 2023

Sia Lagos
Registrar



SCHEDULE

AURORA METALS LIMITED (ADMINISTRATORS APPOINTED) (ACN 126 634 606)

AUCTUS CHILLAGOE HOLDINGS PTY LTD (ADMINISTRATORS APPOINTED)
(ACN 605 053 610)

AUCTUS MINERALS PTY LTD (ADMINISTRATORS APPOINTED) (ACN 602 411
852)

CTM ALLUVIAL MINING PTY LTD (ADMINISTRATORS APPOINTED) (ACN 137
305 947)

SURVEYOR MINING PTY LTD (ADMINISTRATORS APPOINTED) (ACN 601 108
776)

COLINACOBRE PTY LTD (ADMINISTRATORS APPOINTED) (ACN 601 312 207)

AUCTUS CHILLAGOE PTY LTD (ADMINISTRATORS APPOINTED) (ACN 605 055
285)

AUCTUS RESOURCES PTY LTD (ADMINISTRATORS APPOINTED) (ACN 136 606
338)

NYNGAN GOLD PTY LTD (ADMINISTRATORS APPOINTED) (ACN 154 650 585)

VISION EXPLORATION PTY LTD (ADMINISTRATORS APPOINTED) (ACN 161 881
018)

TWILIGHT EXPLORATION PTY LTD (ADMINISTRATORS APPOINTED) (ACN 161
880 995)

THESAURUS EXPLORATION PTY LTD (ADMINISTRATORS APPOINTED) (ACN
163 781 342)



Federal Court of Australia

District Registry: Western Australia

Division: General

No: WAD149/2023

PIT N PORTAL MINING SERVICES PTY LTD (ACN 116 432 814)

Applicant

AURORA METALS LTD ACN 126 634 606 ADMINISTRATORS APPOINTED and
another named in the schedule

Respondents

ORDER

JUDGE: JUSTICE FEUTRILL

DATE OF ORDER: 04 July 2023

WHERE MADE: Perth

THE COURT ORDERS THAT:

1. Pursuant to section 588FM of the *Corporations Act 2001* (Cth) (**Act**), 22 June 2023 be fixed as the later time for the purposes of section 588FL(2)(b)(iv) of the Act in respect of any security interests granted by the first respondent in favour of the applicant and which arose under the General Security Agreement dated 28 April 2023 between the applicant and the first respondent, with those security interests corresponding to the registration number 202306220086768 being an all present and after acquired property (ALLPAP) with no exceptions registration in the register established under the *Personal Property Securities Act 2009* (Cth).
2. The second respondents take steps to cause notice of these orders to be given, within one business day of making these orders to: (a) the creditors (including persons claiming to be creditors) of the Group Companies in the following manner: (i) where the second respondents have an email address for a creditor, by notifying each such creditor, via email of the making of the orders; (ii) where the second respondents do not have an email address, by publishing the orders on the website maintained by the second respondents, and (b) the Australian Securities and Investments Commission, by its email address.



3. Any person who can demonstrate a sufficient interest to vary or discharge paragraph 1 of these orders (including any creditor of the Group Companies) has liberty to apply to the Court within 28 days of the date of these orders and on two business days' written notice to the applicant and the respondents.
4. There be no orders as to the costs of the originating process.

Date that entry is stamped: 4 July 2023

Sia Lagos
Registrar



Schedule

No: WAD149/2023

Federal Court of Australia

District Registry: Western Australia

Division: General

Second Respondents RICHARD SCOTT TUCKER, ANTHONY JAY EDWARD
MISKIEWICZ AND DAVID CHRISTOPHER OSBORNE IN
THEIR CAPACITY AS JOINT AND SEVERAL VOLUNTARY
ADMINISTRATORS OF AURORA METALS LIMIED
(ADMINISTRATORS APPOINTED) (ACN 126 634 606)