

31 October 2022

INITIAL INFORMATION FOR CREDITORS AND SUPPLIERS

CROMARTY RESOURCES PTY LTD (ADMINISTRATORS APPOINTED) ACN 601 398 841 ("THE COMPANY")

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

APPOINTMENT OF VOLUNTARY ADMINISTRATORS

Michael Ryan, David McGrath and I, Kate Warwick, were appointed as Joint and Several Administrators of the Company on 27 October 2022 by a resolution of the Company's directors.

A copy of my Declaration of Independence, Relevant Relationships and Indemnities ("DIRRI") is **attached**. The DIRRI assists you to understand any relevant relationships that I have, and any indemnities or upfront payments that have been provided to me. I have considered each relationship and it is my opinion that none of the relationships disclosed in the DIRRI result in a conflict of interest or duty or affect my independence.

VOLUNTARY ADMINISTRATION

Voluntary administration is a process under the law which allows companies unable to pay their debts, or likely to become unable to pay their debts to appoint an independent, qualified person (called a voluntary administrator) to take control of the Company and its operations. This process allows breathing space to work out the best outcome for all stakeholders and involves the voluntary administrators calling creditors' meetings over the following 20 business days at which creditors decide the future of the Company. The creditors will determine if the Company:

- a) Be returned to the director(s);
- b) Be placed into liquidation; or
- c) Enter into a Deed of Company Arrangement.

According to the Company's records, you may be a creditor of the Company.

FTI Consulting (Australia) Pty Limited

ABN 49 160 397 811 | ACN 160 397 811 | AFSL Authorised Representative # 001269325

Level 21, Bourke Place | 600 Bourke Street | Melbourne VIC 3000 | Australia

Postal Address | GPO Box 538 | Melbourne VIC 3001 | Australia

+61 3 9604 0600 telephone | +61 3 9604 0699 fax | fticonsulting.com

WHAT HAPPENS TO YOUR DEBT?

All creditors of the Company are now creditors in the voluntary administration. As a creditor, you have certain rights, although your debt will be dealt with in the voluntary administration. Further information regarding your rights as a creditor is **enclosed** with this circular.

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. Please refer to Important statements for all creditors and suppliers **attached**.

If you have leased the company property, have a retention of title claim or hold a Personal Property Security in relation to the company, please contact my staff as soon as possible. Further information is **enclosed** - please refer to Requirements for parties with security interests and other claims **attached**.

OPERATIONS AND TRADING

The Administrators have taken control of the operations of the Company and requested the directors to prepare a report on the Company's business, property, affairs and financial circumstances.

The Administrators are currently assessing the financial position of the Company with a view to developing a plan for its future.

While these processes are continuing, the Administrators intend to continue to trade the Company, as we consider this to be in the best interests of all parties concerned.

Your continued cooperation and support are essential to a successful outcome and we thank you in advance for your assistance during this process.

If you are a supplier or employee, you will receive a separate communication on how this appointment impacts your ongoing dealings with the Company. Please refer to Important statements for all creditors and suppliers **attached**.

MEETINGS OF CREDITORS

As voluntary administrator, I am required to hold two meetings of creditors.

First meeting of creditors

When a Company enters into voluntary administration, the Administrators are required to convene a first meeting of creditors within eight (8) business days after the commencement of the voluntary administration.

The First Meeting of the Creditors will be held at **12:00pm (AEST) on Wednesday, 9 November 2022 via electronic facilities only**. Although there is no physical place where creditors are able to attend the meeting, I am required by law to nominate a notional place for the meeting. This location is set out in the *Notice of First Meeting of Creditors*. Please do not attend at this location.

In this regard, please find **enclosed** the following documents:

- a) Notice of First Meeting of Creditors of the Company under Administration;
- b) Form - Appointment of Proxy; and
- c) Formal Proof of Debt or Claim Form.

To attend the meeting you **must** first register via the below link:

https://fticonsulting-inc.zoom.us/webinar/register/WN_X2-c4_oSSFWAoFTXPzWowA

If you intend to appoint another person to act on your behalf at the meeting, or you are a corporate creditor, you are required to complete and return the **enclosed** proxy form appointing your representative to CromartyResources@fticonsulting.com no later than 4:00pm (AEST) on Tuesday, 8 November 2022.

You can appoint the chairperson of the meeting as your proxy and direct the chairperson on how you wish your vote to be cast. If you choose to do this, the chairperson must cast your vote as directed.

Creditors are required to lodge proofs of debt for voting purposes no later than 4:00pm (AEST) on Tuesday, 8 November 2022, failing which they may be excluded from voting at the meeting.

A Proof of Debt or Claim Form is **attached** for this purpose. Proofs of Debt may be sent to CromartyResources@fticonsulting.com.

General information regarding the conduct of meetings of creditors and the completion of proxy forms and proof of debt forms is **enclosed** and can also be found on our website at <http://www.fticonsulting-asia.com>.

Statutory notices and advertisements about the Company will be published on ASIC's Published Notices website at <https://publishednotices.asic.gov.au/>.

Second meeting of creditors

A second meeting of creditors will be held, at which creditors will vote on the future of each of the Company. Details of that meeting and a Report to Creditors on the Company's business, property, affairs and financial circumstances will be sent to you in due course.

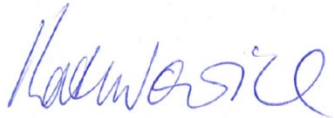
COSTS OF THE VOLUNTARY ADMINISTRATION PROCESS

Attached to this circular is my Initial Remuneration Notice, which provides you with information about how I propose to be paid for undertaking the voluntary administration.

I will seek approval of my remuneration at the second meeting of creditors. I will provide you with further information regarding my remuneration before that meeting, detailing the tasks that I have attended to will be required to attend to, and the costs of those tasks.

If you have any information that you think may help with the administration of the Company, the going concern sale or help the administrators with the investigations into the Company's affairs, please contact us. Our details are **attached** – please refer to Administrators' background and contact details.

Yours faithfully



Kate Warwick

Voluntary Administrator

NOTICES AND ATTACHMENTS INCLUDED IN THIS CIRCULAR

The administration will be conducted on the basis of the information contained in the following notices and attachments:

- **Administrators' background and contact details**
- **Important statements for all creditors and suppliers**
- **Requirements for parties with security interests and other claims**
- **Administrators' trading procedures.**
- **Details and notices for the first meeting of creditors**
 - Notice of First Meeting of Creditors of the Company under Administration;
 - Form - Appointment of Proxy;
 - Formal Proof of Debt or Claim Form (for voting purposes);
 - Guidance notes for completing proxy and proof of debt or claim forms.
- **Independence and remuneration disclosures**
 - Initial advice to creditors – basis of remuneration;
 - FTI Consulting Standard Rate schedule; and
 - The Administrators' Declaration of Independence, Relevant Relationships and Indemnities.
- **Information sheets about your rights and the voluntary administration process**
 - Information regarding your rights as a creditor;
 - Information sheet called "*Insolvency information for directors, employees, creditors and shareholders*";
 - Additional information sheets on the administration process can be obtained at www.asic.gov.au (search for "insolvency information sheets") or www.arita.com.au/creditors.

ADMINISTRATORS' BACKGROUND AND CONTACT DETAILS

ABOUT US

Michael Ryan, David McGrath and Kate Warwick are Senior Managing Directors at FTI Consulting (Australia) Pty Ltd. They are all Registered Liquidators and also Professional Members of the Australian Restructuring Insolvency and Turnaround Association.

FTI Consulting specialises in corporate finance and restructuring and is part of FTI Consulting, Inc. a global business advisory firm dedicated to helping organisations protect and enhance enterprise value. You can find out more at www.fticonsulting-asia.com.

CREDITOR ENQUIRIES – FIRST MEETING OF CREDITORS AND GENERAL MATTERS

For queries about the forthcoming meeting or the administration generally, please contact this office by one of the following methods:

Telephone: (03) 9604 0600

Email: CromartyResources@fticonsulting.com

Post: GPO Box 538 MELBOURNE VIC 3001

IMPORTANT STATEMENTS FOR ALL CREDITORS AND SUPPLIERS

NO ADOPTION OF ANY CONTRACTS OR ASSUMPTION OF LIABILITIES OF THE COMPANY BY THE ADMINISTRATORS

The Administrators are not personally adopting, and will not adopt, any agreement or contract that you may have with the Company. The Administrators will not be liable for any liability of the Company under any agreement or contract with you.

Any payments made by the Administrators for any goods or services does not constitute, nor in any way imply, adoption of any contract or an assumption of any liability of the Company by the Administrators.

EXISTING DEBTS AND CLAIMS CANNOT BE PAID BY ADMINISTRATORS

The Administrators cannot pay any creditor's debts or claims that arise from circumstances or arrangements that were in place with the Company before the Administrators' appointment. Payment of these amounts will depend on the outcome of the administration.

NO SET-OFF AGAINST PRE-APPOINTMENT DEBTS OR CLAIMS

Any amounts due from you to the Company must not under any circumstances be set-off against amounts due from the Company to you.

PROTECTION OF COMPANY PROPERTY AND GENERAL RESTRICTIONS ON THIRD PARTY RIGHTS DURING THE ADMINISTRATION

Without leave of the Court, or the Administrators' written consent:

- A proceeding in a court against the Company or in relation to any of its property cannot be begun or proceeded with;
- Except for perishable property – owners, lessors and creditors with security interests in the Company's property, cannot enforce their security interest, sell any such property they hold, and are not entitled to take possession or otherwise recover such property; and
- No enforcement process in relation to property of the Company can be begun or proceeded with.

See sections 440B to 440F of the Corporations Act 2001 for further details.

REQUIREMENTS FOR PARTIES WITH SECURITY INTERESTS AND OTHER CLAIMS PARTIES WHO ARE REQUIRED TO CONTACT US

Please contact this office on (03) 9604 0600 as soon as possible if you:

- Have supplied any goods or collateral to the Company and you have registered a security interest in such property on the Personal Property Security Register (“PPSR”);
- Are otherwise claiming security or proprietary rights in any asset or property owned by or in possession of the Company;
- Lease or hire goods or property to the Company;
- Are claiming a lien over property of the Company; and/or
- Have commenced legal proceedings against the Company.

We will be writing to all parties who have registered a security interest on the PPSR.

PARTIES WITH PMSI, RETENTION OF TITLE AND CONSIGNMENT CLAIMS OVER PROPERTY

Parties with these claims are requested as soon as possible to:

1. Give us details of the items supplied to the Company (including any features by which that property is able to be identified, for example - serial number/s) and which remain unpaid for; and
2. Provide details of your registration on the PPSR with all relevant supporting documents.

GENERAL STATEMENT

The Administrators will consider the information and details provided to them in support of any claims. Where a claim is valid and not disputed, the Administrators will comply with their obligations at law. This should not be interpreted as, in any way, limiting or restricting the rights of the Administrators or the Company, whose rights are expressly reserved.

Please note the Administrators may require payment of their reasonable expenses and remuneration incurred in the identification, preservation and distribution of property to secured parties, purchasers and/or other persons that the property belongs to. This also includes circumstances where property (such as inventory, for example) is made available for collection.

Affected parties should seek their own advice as applicable and as they deem appropriate.

ADMINISTRATORS' TRADING PROCEDURES

PURCHASE ORDER TO BE ISSUED TO SUPPLIERS FOR GOODS AND SERVICES

The Company will raise a purchase order for goods and services that are required during the period of the administration. Goods supplied or services rendered to the Company after our appointment will be paid in accordance with these procedures provided that:

1. A purchase order has been issued for the applicable good or service;
2. The purchase order is dated 27 October 2022 or later;
3. The purchase order notes "Administrators Appointed" following the company name; and
4. The Administrators' liability does not exceed the amount specified on the purchase order.

NEW ACCOUNTS AND OTHER ACCOUNTING PROCEDURES TO BE FOLLOWED

Suppliers must comply with the following procedures:

1. Close any existing accounts against the Company. These accounts will be for goods supplied and services rendered up to and including the date of appointment;
2. Open a new account for the Company with the words "Administrators Appointed" added after the Company's name. This new account is to be used for goods supplied and services rendered to the respective Company during the period of the administration;
3. Update contact details for the Company within your systems to also include the Administrators' contact details; and
4. Please ensure your invoices include the Administrators' purchase order number. This will likely be a new number sequence to help demarcate pre and post-appointment orders.

PAYMENTS AND ACCEPTANCE OF LIABILITY FOR GOODS OR SERVICES

Validly authorised liabilities created after our appointment in accordance with these procedures will be paid in accordance with your/the Company's usual terms unless we determine otherwise.

All payments made by the Company or Administrators must be applied against liabilities incurred by the Administrators. These payments cannot be set-off against any other claims against or liabilities incurred by the Company.

If you have current orders or bookings with the Company (including goods in transit or pending delivery), you will need a new purchase order to be issued in accordance with these procedures (and before any goods or services are provided) before the Administrators will accept liability.

It is your responsibility to contact us if you require clarification about any of these arrangements.

ADMINISTRATORS' TRADING PROCEDURES – AUTHORISED PERSONS

The following persons are authorised to sign purchase orders for the Company:

Name	Order Limit (\$)
Kathryn Warwick	Unlimited
Michael Ryan	Unlimited
David McGrath	Unlimited
Martin Nicholson	\$25,000
Jessica Jedyak	\$25,000
Maxine Allan	\$25,000
George Tansley	\$5,000

DETAILS AND NOTICES FOR THE FIRST MEETING OF CREDITORS

NOTICE OF THE FIRST MEETING OF CREDITORS OF COMPANY UNDER ADMINISTRATION

The agenda for the meeting is set out in the notice.

Although there is no physical place where creditors are able to attend the meeting, I am required under law to nominate a notional place for the meeting for administrative purposes such as establishing the time of the meeting. The notional place for this meeting is set out in the *Notice of First Meeting of Creditors*. PLEASE DO NOT ATTEND AT THIS LOCATION.

Attendance at the meeting is not compulsory.

Video conferencing, including telephone facilities are available for those creditors wishing to attend by telephone.

Should you wish to attend the virtual meeting and you would like to vote, you must register and complete the relevant forms and provide them by 4:00PM (AEST) on Tuesday, 8 November 2022.

If you wish to attend by telephone, please contact CromartyResources@fticonsulting.com by no later than 4:00PM on Tuesday, 8 November 2022 so arrangements can be made for your attendance.

MEETING REGISTRATION FORM

If you wish to attend the first meeting of creditors, you must register via the below link by **4:00pm (AEST) on Tuesday, 8 November 2022**.

Registration Link: https://fticonsulting-inc.zoom.us/webinar/register/WN_X2-c4_oSSFWAoFTXPzWowA

If you do not register for the meeting, you may be considered an observer and will not be able to vote.

FORM - APPOINTMENT OF PROXY

This form should be completed if:

1. You intend to appoint another person to act on your behalf at the meeting; or
2. You are a corporate creditor and wish to appoint yourself to represent the company at the meeting.

FORMAL PROOF OF DEBT OR CLAIM FORM

This form allows you to tell us what you are owed by the Company. You must send us a completed form if you wish to vote at the meeting.

Return to:

Email: CromartyResources@fticonsulting.com

NOTICE OF FIRST MEETING OF CREDITORS OF THE COMPANY UNDER ADMINISTRATION

**CROMARTY RESOURCES PTY LTD (ADMINISTRATORS APPOINTED) ACN 601 398 841
("THE COMPANY")**

On 27 October 2022, the Company, under Section 436A, appointed Kate Warwick, David McGrath and Michael Ryan of FTI Consulting, Level 21, 600 Bourke Street, Melbourne, VIC, as Joint and Several Administrators of the Company.

- 1) Notice is now given that the first meeting of creditors of the Company will be held at 12:00pm on Wednesday, 9 November 2022.

The meeting is being held virtually and all creditors wanting to attend the meeting are required to attend via Zoom. Although there is no physical place where creditors are able to attend the meeting, I am required under law to nominate a notional place for the meeting for administrative purposes such as establishing the time of the meeting. The notional place for this meeting is: FTI Consulting, Level 21, 600 Bourke Street, Melbourne VIC 3000. **PLEASE DO NOT ATTEND AT THIS LOCATION.**

Further details regarding the meeting will be provided once a creditor has registered their attendance for the meeting.

If you wish to attend the meeting, you must register at the below link and return the below forms on or before 4:00pm on Tuesday, 8 November 2022 to CromartyResources@fticonsulting.com

- Meeting registration: https://fticonsulting-inc.zoom.us/webinar/register/WN_X2-c4_oSSFWAoFTXPzWowA
- Proxy form (if required); and
- Proof of Debt Form.

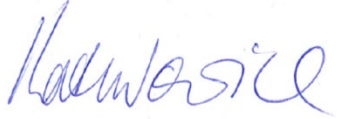
A link to view the meeting will subsequently be sent to you by email.

Please note your name will be visible to other attendees of the meeting and in meeting documents we prepare and lodge with ASIC.

- 2) The purpose of the meeting is to determine:
 - a) Whether to appoint a committee of inspection; and
 - b) If so, who are to be the committee's members.
- 3) At the meeting, creditors may also, by resolution:
 - a) Remove the administrator(s) from office; and

- b) Appoint someone else as administrator(s) of the Company.
- 4) Discuss any other relevant business which may arise.

Dated this 31st day of October 2022



Kate Warwick

Voluntary Administrator

MEETING INFORMATION SHEET

CROMART RESOURCES PTY LTD (ADMINISTRATORS APOINTED) ACN 601 398 841 (‘THE COMPANY’)

WHO CAN ATTEND THE FIRST MEETING OF CREDITORS?

The following parties may attend the meeting:

- Creditors of Company; or
- A person appointed by a Creditor to attend the meeting on behalf of the Creditor.

WHAT DO I NEED TO DO TO ATTEND THE FIRST MEETING OF CREDITORS?

Completion and return of documents

If you wish to attend the meeting, you must complete and return specific documents to us by the date and in manner specified in the section “When and how do I return the completed documents” below.

The required documents are shown in the below table and are dependent on the class of creditor to which you belong. An explanation of the documents is provided below the table.

Creditor class	Registration Form (via link)	Formal Proof of Debt	Appointment of Proxy
Employee	✓	✓	Refer to note below.
Individual / Partnership	✓	✓	Refer to note below.
Company	✓	✓	✓
Statutory	✓	✓	✓

Note: Only a company or statutory creditor is required to appoint a proxy. Individuals (including employees) and partnerships may appoint a proxy, but only if they want that proxy to attend the meeting on their behalf.

Explanation of documents

An explanation of the documents described in the table is set out below.

- **Meeting Registration.** The Registration Notice, which is accessed via the below link, provides us with your contact details. We will use those contact details to provide you with the necessary access and voting codes for the meeting.

Registration link: https://fticonsulting-inc.zoom.us/webinar/register/WN_X2-c4_oSSFWAoFTXPzWowA

Formal Proof of Debt. The Formal Proof of Debt provides us with details of the debt owing by, or your claim against the Company. If available, please attach to the proof of debt such documents (e.g., invoices) that substantiate your claim.

Employees do not need to provide a Formal Proof of Debt

Appointment of Proxy (if applicable). The Appointment of Proxy allows you to appoint another person (known as a proxy) to attend the meeting on your behalf. It is mandatory for a company or statutory creditor to appoint a proxy to attend the meeting on its behalf, or attorney. If an individual is attending in person, a proxy form is not required.

HOW DO I ACCESS THE ABOVE MEETING DOCUMENTS?

The meeting registration form is an online form and is available via the following link:

https://fticonsulting-inc.zoom.us/webinar/register/WN_X2-c4_oSSFWAoFTXPzWowA

Copies of the meeting documents are **attached**, namely:

- Formal Proof of Debt;
- Appointment of Proxy;
- Nomination for Proposed Committee Inspection

WHEN AND HOW DO I RETURN THE COMPLETED DOCUMENTS?

The required completed documents must be returned to us no later than **4:00PM (AEST) on Tuesday 8 November 2022**. Please return your documents by one of the following methods:

Post: Attn: Cromarty Resources Pty Ltd (Administrators Appointed)
GPO Box 538, MELBOURNE VIC 3001

Email: CromartyResources@fticonsulting.com

If you are returning the documents by post, please allow sufficient time for the documents to arrive prior to the cut-off time.

HOW DO I ASK A QUESTION AT THE MEETING?

Creditors may submit questions by email sent to CromartyResources@fticonsulting.com prior to the meeting. Alternatively, creditors can use the question-and-answer function during the meeting.

The Administrators may be unable to answer all questions due to time constraints. If this occurs, the Administrators will select questions that are more relevant to the broader creditor base, ahead of those relevant to specific creditors.

Creditors with specific questions may contact us by email after the meeting.

WHAT HAPPENS NEXT?

Following return of your documents, we will complete the following steps:

- Email you or your proxy a confidential link to access the meeting on-line; and
- A unique code will also be provided so that you can vote at the meeting.

WHAT IF I CAN'T ACCESS THE MEETING?

All parties attending the meeting are responsible for ensuring that they have the technology and internet connection to attend the meeting on-line. Unfortunately, we are unable to assist with any technical issues relating to accessing the meeting.

FORMATION OF A COMMITTEE OF INSPECTION

At the meeting, we may recommend that a Committee of Inspection be formed. A Committee of Inspection 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 the External Administrator chooses not to comply with the directions of the Committee of Inspection, the External Administrator must document why.

A Committee of Inspection also has the power, amongst other things, to approve remuneration of the External Administrator after the External Administrator has complied with specified statutory obligations.

Who can be a member of the Committee of Inspection?

To be eligible to be appointed as a member of the Committee of Inspection, the person must be:

- a creditor;
- a person holding the power of attorney of a creditor;
- a person authorised in writing by a creditor to be appointed as a member; 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.

A company can be a member of the Committee of Inspection. It is 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.

Can I become a member of the Committee of Inspection?

If you wish to become a member of the Committee of Inspection (in the event that one is formed at the meeting), please complete and return the Nomination for Proposed Committee of Inspection. Please note that, depending on the number of creditors nominating, there is no guarantee that your nomination will be successful.

Further information

Further information about a Committee of Inspection can be found in the **attached** information sheet issued by ARITA.

NOMINATION FOR PROPOSED COMMITTEE OF INSPECTION

CROMARTY RESOURCES PTY LTS (ADMINISTRATORS APPOINTED) ACN 601 398 841
("THE COMPANY")

Relevant entity/s
(please note):

Name of creditor:

Name of representative:
(if applicable)

I nominate to be a member on any Committee of Inspection formed at the first meeting of creditors scheduled to be held on **9 November 2022 at 12:00PM (AEST)**.

I am a creditor / representative of a creditor of the Company and have submitted a Proof of Debt in the Administration.

I understand the duties and obligations should I be appointed to the proposed committee.

.....

Signature of Creditor / Person authorised by Creditor

FORM - APPOINTMENT OF PROXY

**CROMARTY RESOURCES PTY LTD(ADMINISTRATORS APPOINTED)
ACN 601 398 841 ("THE COMPANY")**

I/We _____ (name of signatory)
of _____ (creditor name)
a creditor of the Company, appoint _____ (name of proxy)
of _____ (address of proxy)
or in his/her absence _____ (details of alternate proxy)

as my/our general proxy or special proxy to vote at the meeting of creditors to be held on Wednesday, 9 November 2022 at 12:00PM or at any adjournment of that meeting.

Voting instructions - for special proxy only	For	Against	Abstain
Resolution			
1. To appoint a committee of inspection.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. To remove the Administrators and appoint someone else as administrator(s) of the above company.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*I/*We authorise *my/*our proxy to vote as a general proxy on resolutions other than those specified above (delete if not required)

Dated:

.....
Name and signature of authorised person

.....
Name and signature of authorised person

CERTIFICATE OF WITNESS – only complete if the person given the proxy is blind or incapable of writing.

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.

Dated:

Signature of witness:

Description:

Place of residence:

FORM 535 – FORMAL PROOF OF DEBT OR CLAIM
CROMARTY RESOURCES PTY LTD (RECEIVERS AND MANAGERS APPOINTED)
ACN 601 398 841 (“THE COMPANY”)

To the Administrators of Cromarty Resources Pty Ltd (Receivers and Managers Appointed) ACN 601 398 841 (“the Company”)

1. This is to state that the Company was on 27 October 2022, and still is, justly and truly indebted to:
-
-
- (full name, ABN and address of the creditor and, if applicable, the creditor's partners)*
- for \$*(dollars and cents)*

Particulars of the debt are:

Date	Consideration	Amount (\$/c)	Remarks
	<i>(state how the debt arose)</i>		<i>(include details of voucher substantiating payment)</i>

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 (\$/c)	Due Date

3. Signed by *(select correct option)*:
- I am the creditor personally
- 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
- I am the creditor's agent authorised in writing to make this statement in writing. I know the debt was incurred for the consideration stated and that the debt, to the best of my knowledge and belief, remains unpaid and unsatisfied.

Signature: Dated:

Name: Occupation:

Address:

** If prepared by an employee or agent of the creditor, also insert a description of the occupation of the creditor*

RECEIVE REPORTS BY EMAIL	YES	NO
Do you wish to receive all future reports and correspondence from our office via email?	<input type="checkbox"/>	<input type="checkbox"/>
Email:		

If being used for the purpose of voting at a meeting:

- a) Is the debt you are claiming assigned to you? Yes No
- b) If yes, attach written evidence of the debt, the assignment and consideration given. Attached
- c) If yes, what value of consideration did you give for the assignment (eg, what amount did you pay for the debt?) \$
- d) If yes, are you a related party creditor of the Company? Yes No
(If you are unsure contact the Administrators)

GUIDANCE NOTES FOR COMPLETING PROXY AND PROOF OF DEBT OR CLAIM FORMS

FORM - APPOINTMENT OF PROXY

A person can appoint another person to attend the meeting on their behalf by completing the Form of proxy.

If the creditor is a company or a firm, a person needs to be appointed to represent the company.

This representative needs to be appointed by completing the Form of Proxy in accordance with section 127 of the *Corporations Act 2001* (“the Act”). Alternatively, the appointed person must be authorised to act as a representative for the company per section 250D of the Act.

The Form of proxy is valid only for the meeting indicated (or any adjournment).

You may appoint either a general proxy (a person who may vote at their discretion on motions at the meeting) or a special proxy (who must vote according to your directions). If you appoint a special proxy, you should indicate on the form what directions you have given. In many instances, there will be a box or section on the proxy form where you can mark how you want your proxy to vote for you.

If you are unable to attend the meeting and you do not have a representative who can attend on your behalf, you may if you wish, appoint any person, including the Chairperson of the Meeting, as either your general or special proxy.

FORMAL PROOF OF DEBT OR CLAIM FORM

The proof of debt submitted during an Administration is informal in that it does not mean that the Administrator has agreed with your proof for the purpose of making a dividend distribution.

You should include a description of how your debt/claim arose, whether you are claiming a security interest in property and if you have any guarantees and indemnities for the debt. If you need more space, you can attach any additional details you wish to include – just make sure that you mention this on the Form so we know what you’ve attached and how many pages.

You should provide supporting documents that substantiate what you are owed by the Company. This may include things like account statements, unpaid invoices and their corresponding purchase orders, PPSR registration, agreements/terms of trade, contracts, lease or hire agreements, court order or judgment, guarantee or loan document, emails/other correspondence with the Company.

If you need help in completing the forms or if you are uncertain what information you should attach, please email or telephone the nominated FTI Consulting contact person.

INITIAL ADVICE TO CREDITORS – BASIS OF ADMINISTRATORS' REMUNERATION

REMUNERATION METHODS

There are four basic methods that can be used to calculate the remuneration charged by an insolvency practitioner. They are:

Time based / hourly rates

This is the most common method. The total fee charged is based on the hourly rate charged for each person who carried out the work multiplied by the number of hours spent by each person on each of the tasks performed.

Fixed fee

The total fee charged is normally quoted at the commencement of the voluntary administration and is the total cost for the voluntary administration. Sometimes a practitioner will finalise a voluntary administration for a fixed fee.

Percentage

The total fee charged is based on a percentage of a particular variable, such as the gross proceeds of assets realisations.

Contingency

The practitioner's fee is structured to be contingent on a particular outcome being achieved.

METHOD PROPOSED

We propose that our remuneration is calculated on a time basis. We believe this method is appropriate as it ensures that only the actual work performed is charged for. There are also various tasks required to be completed which do not involve the realisation of assets, such as reporting to ASIC, undertaking investigations, corresponding with creditors and answering their queries, and completing other statutory tasks required by law.

ESTIMATE OF REMUNERATION FOR THE VOLUNTARY ADMINISTRATION

We estimate our remuneration for undertaking the Administration will be approximately \$850,000 (exclusive of GST), subject to the following variables which may have a significant effect on this estimate and that we are unable to determine until the voluntary administration has commenced:

- The full scope and extent of necessary work (from experience, unforeseen matters typically arise and may require us to perform additional work beyond that currently anticipated);
- The extent of investigations required into the circumstances leading to the appointment of the Administrators; and
- The actual length of the administrations themselves (including whether an extension of the convening period is required, or more than two meetings of creditors is required).

Prior to our appointment, I provided an estimate of the cost of the administration to the directors. This estimate is consistent with the estimate provided to the directors prior to my appointment.

Approved remuneration may exceed the amount of this \$850,000 (exclusive of GST) and can be paid from the assets of the Voluntary Administration after approval by creditors or the Court.

EXPLANATION OF HOURLY RATES

The rates for our remuneration calculation are attached together with a general guide showing the qualifications and experience of staff that will be engaged in the voluntary administration and the role they take in the voluntary administration. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

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 such as travel, accommodation and search fees - these are recovered at cost.
- Internal disbursements such as photocopying, printing and postage. These disbursements, if charged to the administration, would generally be charged at cost; though some expenses such as telephone calls, photocopying and printing may be charged at a rate which recoups both variable and fixed costs.

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

I am required to obtain creditors' approval for the payment of internal disbursements which were not charged at cost (and which may therefore have a profit or advantage attached to them), prior to these disbursements being paid from the administration. These disbursements typically would include internal photocopying, printing and facsimile costs. However, as we do not charge our external administrations for internally-generated FTI disbursements where they have not been charged at cost (such as photocopying and printing charges for the use of internal photocopiers, printers, etc.), creditor approval is not required.

Details of the basis of recovering internal and external disbursements in this administration are provided in the table below. Full details of any actual costs incurred will be provided with future reporting.

FTI Disbursements Schedule

Disbursement type	Charge Type	Charge Rate (excl GST)
Advertising	External, non-professional	At cost
ASIC Industry Funding Model Levy – metric events	External, non-professional	At cost (at prescribed ASIC rates)
Couriers and deliveries	External, non-professional	At cost
Data Room Charges	External, professional	At cost
Facsimile	Internal (FTI)	Not charged
Legal Fees	External, professional	At cost
Mail out	Internal (FTI)	20 cents per email
Postage	External, non-professional	At cost
Photocopying – internal	Internal (FTI)	Not charged
Photocopying – outsourced	External, non-professional	At cost
Printing – internal	Internal (FTI)	Not charged
Printing – outsourced	External, non-professional	At cost
Records costs – storage, destruction, boxes	External, non-professional	At cost
Search fees	External, non-professional	At cost
Staff motor vehicle use - mileage	Cents per km	At prescribed ATO rates
Staff travel - accommodation, meals etc	External, non-professional	At cost
Stationery and other incidental disbursements	External, non-professional	At cost
Telephone	Internal (FTI)	Not charged
Valuation Fees	External, professional	At cost
Other externally provided professional services		At Cost
Other externally provided non-professional services		At Cost

FTI Consulting CF&R Standard Rates effective 1 July 2022 (excluding GST)

Typical classification	Standard Rates \$/hour	General guide to classifications
Senior Managing Director/Appointee	740	Registered Liquidator and/or Trustee, with specialist skills and extensive experience in all forms of insolvency administrations. Alternatively, has proven leadership experience in business or industry, bringing specialist expertise and knowledge to the administration.
Managing Director	680	Specialist skills brought to the administration. Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee. May also be a Registered Liquidator and/or Trustee. Alternatively, has extensive leadership/senior management experience in business or industry.
Senior Director	620	Extensive experience in managing large, complex engagements at a very senior level over many years. Can deputise for the appointee, where required. May also be a Registered Liquidator and/or Trustee or have experience sufficient to support an application to become registered. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Director	550	Significant experience across all types of administrations. Strong technical and commercial skills. Has primary conduct of small to large administrations, controlling a team of professionals. Answerable to the appointee, but otherwise responsible for all aspects of the administration. Alternatively, has significant senior management experience in business or industry, with specialist skills and/or qualifications.
Senior Consultant 2	500	Typically an Australian Restructuring Insolvency & Turnaround Association professional member. Well developed technical and commercial skills. Has experience in complex matters and has conduct of small to medium administrations, supervising a small team of professionals. Assists planning and control of medium to larger administrations.
Senior Consultant 1	450	Assists with the planning and control of small to medium-sized administrations. May have the conduct of simpler administrations. Can supervise staff. Has experience performing more difficult tasks on larger administrations.
Consultant 2	405	Typically Institute of Chartered Accountants in Australia qualified chartered accountant (or similar). Required to control the tasks on small administrations and is responsible for assisting with tasks on medium to large-sized administrations.
Consultant 1	375	Qualified accountant with several years' experience. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 2	350	Typically a qualified accountant. Required to assist with day-to-day tasks under the supervision of senior staff.
Associate 1	315	Typically a university graduate. Required to assist with day-to-day tasks under the supervision of senior staff.
Treasury	300	Typically, qualified accountant and/or bookkeeper with at least 4 years' experience working in a treasury function in a professional services setting. Undertakes treasury activities and is skilled in bookkeeping, funds handling, banking, payroll, tax compliance, accounts receivable and accounts payable. May be responsible for the management of discreet, medium-complexity accounts services relating to business trade on activities.
Junior Associate	250	Undergraduate in the latter stage of their university degree.
Administration 2	250	Well developed administrative skills with significant experience supporting professional staff, including superior knowledge of software packages, personal assistance work and/or office management. May also have appropriate bookkeeping, accounting support services or similar skills.
Administration 1	210	Has appropriate skills and experience to support professional staff in an administrative capacity. May also have appropriate bookkeeping, accounting support services or similar skills.
Junior Accountant	210	Undergraduate in the early stage of their university degree.

The FTI Consulting Standard Rates above apply to the Corporate Finance & Restructuring practice and are subject to periodical review.

DECLARATION OF INDEPENDENCE, RELEVANT RELATIONSHIPS AND INDEMNITIES

Cromarty Resources Pty Ltd ACN 601 398 841

(Administrators Appointed) (“the Company” or “Cromarty”)

The purpose of this document is to assist creditors with understanding any relevant relationships that we 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 ourselves, our fellow Senior Managing Directors/Managing Directors, FTI Consulting (Australia) Pty Ltd (FTI Consulting or Firm) and associated entities, as detailed in **Annexure A**.

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 FTI Consulting by Mr Patrick O’Connor, director of Cromarty Resources Pty Ltd (“Cromarty” or the “Company”). Mr O’Connor is known to Andrew Bantock, a Senior Managing Director at FTI Consulting through their historical business relationships. Mr O’Connor and Mr Bantock have known each other for approximately 30 years. Mr O’Connor and Mr Bantock initially worked alongside each other as senior executives and directors of entities associated with the GRD Group until approximately 2004. Mr O’Connor and Mr Bantock also served on the board of Water Corporation, a Government trading enterprise and Western Australia’s water utility, for approximately five years until around 2011.

Since that time, Mr Bantock and Mr O’Connor have not worked together in an executive or director capacity and have had no business dealings, other than Mr O’Connor introduced the engagement of FTI Consulting to provide

limited scope advisory services to another company, not associated with Cromarty, of which Mr O'Connor was a non-executive director, with such engagement completed in H1 2020.

Mr Bantock is not appointed as a Voluntary Administrator to the Company.

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

- There is no expectation, agreement or understanding between us and Mr O'Connor regarding the conduct of the Voluntary Administration of Cromarty and we are free to act independently and in accordance with the law and applicable professional standards.
- FTI Consulting has not been referred another external administration from Mr O'Connor and is not reliant upon future referrals from him. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other future referrals from Mr O'Connor is not material to FTI Consulting.

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

Yes No

On 6 September 2022, Mr Bantock was contacted by Patrick O'Connor, a director of Red River Resources Limited ("Red River"), to arrange a meeting to discuss the Red River Group's current circumstances. A meeting was subsequently held on 12 September 2022 between Mr Bantock, Mr O'Connor and Ms Kate Warwick to discuss the current circumstances of the Group and the potential engagement of FTI Consulting. A proposal was provided by FTI Consulting, which led to Red River engaging FTI Consulting on 16 September 2022 to complete a limited scope review. The details of the review are provided in **Annexure B** and our draft report was issued dated 29 September 2022 with the final report issued on 20 October 2022. Meetings were attended and email correspondence exchanged in delivery of this engagement, as summarised in **Annexure B**.

Subsequently, FTI Consulting held a meeting with Mr O'Connor on 20 October 2022 introducing Michael Ryan, with email correspondence following with the Company between 21 October and 27 October 2022 as detailed in **Annexure C**. Those meetings served the purpose of:

- understanding and obtaining sufficient information about the financial position of the Company;
- explaining the various forms of insolvency appointments, the options available, and the consequences of each appointment type; and
- for us to provide a Consent to Act as Voluntary Administrators of the Company.

As outlined in **Annexure B**, there was some discussion prior to 20 October 2022 regarding the process of a voluntary administration but that was discussed at a high level only and no formal options were provided.

The engagement occurred over a period of approximately 35 days and our appointment as Voluntary Administrators occurred approximately 7 days after our final report was issued to Red River.

In our opinion, these meetings do not affect our independence for the following reasons:

- The Courts and relevant professional bodies 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 is such that it would not be subject to review and challenge during the course of our appointment.

- No advice has been given to the directors in their capacity as directors of the Group or Company, or in relation to their personal circumstances.
- The pre-appointment advice will not influence our ability to be able to fully comply with the statutory and fiduciary obligations associated with the appointment as Voluntary Administrators of the Company in an objective and impartial manner.

No remuneration has been received for the above work performed.

We have provided no other information or advice to the Company, its directors, and advisors prior to our appointment beyond that outlined in this DIRRI.

Declaration of Relationships

Within the previous 2 years we or our firm have had a relationship with:

	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
The Company		<p>FTI Consulting was engaged by Red River on 16 September 2022 to provide a limited scope review of the Group's current financial circumstances prior to our appointment as Voluntary Administrators of Cromarty.</p> <p>We are of the view that the review provided will have significant benefits to the conduct of the Voluntary Administration, particularly as this will offer cost savings and facilitate a comprehensive and accurate understanding of the activities and financial position of Cromarty.</p> <p>This relationship does not influence our ability to be able to comply with the statutory and fiduciary obligations associated with the appointment as Voluntary Administrators of Cromarty in an objective and impartial manner.</p> <p>On 28 April 2012, Michael Ryan and 3 other appointees were appointed as voluntary administrators of Kagara Limited (KZL) and its subsidiaries, including Kagara Copper Pty Limited (KCPL). KZL and KCPL went into liquidation on 16 December 2013.</p> <p>In September 2014, KZL, KCPL and the liquidators of KZL and KCPL signed an asset sale agreement with Red River, the parent company of Cromarty, and its subsidiary, Cromarty Resources Pty Ltd for the Thalanga and Liontown/Waterloo Projects, consideration including a 1.5% Net Smelter Return (NSR) royalty agreement on Liontown/Waterloo tenements.</p>

Sale of NSR royalty stream

In November 2015, the liquidators of KZL and KCPL granted 0.7% of the NSR royalty stream to Guangdong Guangxin Holdings Group Ltd (“GGHG”) in exchange of GGHG releasing its first ranking mortgage over ML1392 in order that this tenement could be sold to Cromarty. The liquidators of KZL and KCPL continued to hold 0.8% of the NSR Royalty.

On 20 January 2021, KZL, KCPL and liquidators of KZL and KCPL entered into an asset sale agreement with Osisko Gold Royalties Limited in respect of the 0.8% NSR royalty stream.

On 22 February 2021, Donald Garner, then executive director at Cromarty, notified that Red River Resources and Cromarty elected not to exercise their right of first refusal.

The sale transaction was completed in early March 2021; sales proceeds of A\$1.51m (A\$1.1m for KZL and \$0.41m for KCPL) was received on 4 March 2021.

Receipt of royalty from Red River Resources /Cromarty

During the sales campaign of the NSR royalty stream, it came to the Liquidator’s attention that KZL/KCPL was owed a royalty from Cromarty (in accordance with the NSR royalty agreement) from one shipment of gold concentrate to Trafigura. A royalty of \$19k was received from Red River Resources/Cromarty on 15 February 2021.

Since March 2021, there has been no further business between the Liquidators and the Group.

We believe the above does not result in us having a conflict of interest or duty because:

- This matter was a separate engagement, and the outcome was independent to our appointment over the Company; and
- We are free to act independently and in accordance with the law and applicable professional standards.

Yes No

Patrick O’Connor is a current director of Cromarty.

Mr O’Connor is known to Andrew Bantock, a Senior Managing Director at FTI Consulting through their historical business relationships. Mr O’Connor and Mr Bantock have known each other for approximately 30 years. Mr O’Connor and Mr Bantock initially worked alongside each other as senior executives and directors of entities associated with the GRD

The directors

Group until approximately 2004. Mr O'Connor and Mr Bantock also served on the board of Water Corporation, a Government trading enterprise and Western Australia's water utility, for approximately five years until around 2011.

Since that time, Mr Bantock and Mr O'Connor have not worked together in an executive or director capacity and have had no business dealings, other than Mr O'Connor introduced the engagement of FTI Consulting to provide limited scope advisory services to another company, not associated with Cromarty, of which Mr O'Connor was a non-executive director, with such engagement completed in H1 2020.

Mr Bantock is not appointed as a Voluntary Administrator to the Company.

We believe that Mr O'Connor's referral does not result in us having a conflict of interest or duty because:

- There is no expectation, agreement or understanding between us and Mr O'Connor regarding the conduct of the Voluntary Administration of Cromarty and we are free to act independently and in accordance with the law and applicable professional standards.
- FTI Consulting has not been referred another external administration from Mr O'Connor and is not reliant upon future referrals from him. This engagement is not financially significant to FTI Consulting and the receiving or otherwise of other future referrals from either Mr O'Connor is not material to FTI Consulting.

Yes No

Any associates of the Company?

We are aware of inter-company transactions between the Company and other companies in the Group, but at this time are not aware of any potential conflicts of interest arising from our appointment over the Company. If it becomes apparent that pre-appointment dealings between the Company and the Group may give rise to a conflict, we undertake to disclose any such conflicts to the creditors and, if required, seek Court directions as to the appropriate means of resolving the potential conflict.

We have obligations solely in respect to the Company (as defined in Section 435A of the Corporations Act 2001) and not to the other companies in the Group as a whole.

This relationship does not influence our ability to be able to comply with the statutory and fiduciary obligations associated with the appointment as Voluntary Administrators of Cromarty in an objective and impartial manner.

A former insolvency practitioner appointed to the Company?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
A secured creditor entitled to enforce a security over the whole or substantially the whole of the Company's property?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <p>Red River Resources Limited, the parent company of Cromarty, is a holder of registered security interests over the Company, which includes an intercompany loan owed by the Company.</p> <p>We believe that this relationship with the Company does not result in us having a conflict of interest or duty because:</p> <ul style="list-style-type: none"> ■ There is no expectation, agreement or understanding between us and Red River Resources regarding the conduct of the Voluntary Administration of the Company, and we are free to act independently and in accordance with the law and applicable professional standards. <p>FTI Consulting otherwise does not have an ongoing professional relationship with Red River and no work has been undertaken for Red River with respect to Cromarty besides that which is disclosed above.</p> <p>Trafigura Pte Ltd ("Trafigura") has a trading relationship with the Company where Trafigura is an offtaker of products produced by the Company to the Company. Trafigura is also a holder of registered security interests over the Company's assets.</p> <p>On 21 July 2022, Michael Ryan, Kathryn Warwick and 2 other appointees of FTI Consulting were appointed as voluntary administrators of Wiluna Mining Corporation and Ors ("Wiluna"). Trafigura has a trading relationship with Wiluna whereby Trafigura is an offtaker to whom Wiluna sells gold concentrate. Trafigura's trading relationship with Wiluna was established prior to our appointment over Wiluna.</p> <p>We believe that Trafigura's relationship with Wiluna does not result in us having a conflict of interest or duty because:</p> <ul style="list-style-type: none"> ■ This matter is a separate engagement and its conduct is independent to our appointment over the Company; and ■ There is no expectation, agreement or understanding between us and Trafigura regarding the conduct of the Voluntary Administration of Wiluna and/or the Company, and we are free to act independently and in accordance with the law and applicable professional standards. <p>FTI Consulting otherwise does not have an ongoing professional relationship with Trafigura and no work has been undertaken for Trafigura with respect to the Company.</p> <p>Pybar Holdings Pty Ltd ("Pybar") is a holder of registered security interests over the Company's assets.</p>

On 16 July 2021, Michael Ryan, David McGrath and 1 other appointee of FTI Consulting were appointed as voluntary administrators of Heron Resources Limited and its wholly owned subsidiaries (“Heron”). Pybar had a trading relationship with Heron whereby Pybar leased mining equipment to Heron in its operation of the Tarago mine. Pybar was also a holder of registered security interests over Heron’s assets.

We believe that Pybar’s relationship with Heron does not result in us having a conflict of interest or duty because:

- This matter was a separate engagement and the outcome was independent to our appointment over the Company; and
- There is no expectation, agreement or understanding between us and Pybar regarding the conduct of the Voluntary Administration of the Company, and we are free to act independently and in accordance with the law and applicable professional standards.

FTI Consulting otherwise does not have an ongoing professional relationship with Pybar and no work has been undertaken for Pybar with respect to the Company.

Do we have any other relationships that we consider are relevant to creditors assessing our independence?

Yes No

Brettney Fogarty is the owner of Third Wave Investors Pty Ltd which is an approximately 10% shareholder in Red River. Mr Fogarty and Mr Bantock are known to each in their historical business relationship as former employees of GRD Group for which Mr Fogarty was the Chairman. Mr Bantock worked for GRD Group in various senior executive and directorship roles up until 2004.

During Mr Bantock’s time with GRD Group, the Group placed one of its unlisted subsidiaries into voluntary administration. Michael Ryan, who is now a Senior Managing Director of FTI Consulting, was then appointed to lead the administration through Taylor Woodings. The matter commenced from approximately 1997 and was completed within about 18 months.

Mr Bantock was previously the Managing Director of Liontown Resources Ltd from 2004 to 2008, which previously owned the Liontown deposit. The Liontown deposit is currently one of the assets owned by Cromarty. The Liontown deposit was sold to Cromarty subsequent to Mr Bantock’s involvement with Liontown Resources Ltd.

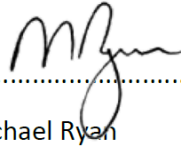
Indemnities and up-front payments

We have not received any up-front payments or indemnities for this appointment. This does not include any indemnities we may be entitled to under the law.

Dated 31 October 2022



.....
Kathryn Warwick



.....
Michael Ryan



.....
David McGrath

Notes:

1. *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.*
2. *If circumstances change, or new information is identified, we are required under the Corporations Act 2001 or Bankruptcy Act and ARITA's Code of Professional Practice to 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 insolvent's creditors. For creditors' voluntary liquidations and voluntary administrations, this document and any updated versions of this document are required to be lodged with ASIC.*

ANNEXURE A

FTI Consulting (Australia) Pty Ltd and associated entities

FTI Consulting Inc (ultimate holding entity)

FTI Consulting – FD Australia Holdings Pty Ltd

FTI Consulting (Australia) Pty Ltd

FTI Technology (Sydney) Pty Ltd

FTI Consulting (Perth) Pty Ltd

FTI Consulting (Sydney) Pty Ltd

FTI Capital Advisors (Australia) Pty Ltd

FTI Consulting Australia Nominees Pty Ltd

Annexure B

Interactions between FTI Consulting staff and Company representatives/other third parties during the Initial Engagement

Between 6 September 2022 and 16 September 2022, Mr Bantock and Ms Kathryn Warwick, both Senior Managing Directors in FTI Consulting's Corporate Finance and Restructuring practice, held a number of calls and meetings with Patrick O'Connor, director of Red River and Cromarty Resources Pty Ltd ("Cromarty" or the "Company") tabled below. During the meetings, the Group's current circumstances including its operations and financial position were discussed.

Following these meetings, the Group engaged FTI Consulting on 16 September 2022 to commence a limited scope review, the scope of services for which were detailed as:

1. Review and comment on management's liquidity summary, including receivables and payables positions;
2. Review and comment on management's cashflow forecast, including reference to key elements of the operating assumptions and the appropriateness of projected receipts and payments in light of 1. above;
3. Summary and analysis of key corporate initiatives advised by management, together with their expected impact on the Company's future corporate and financial position;
4. Providing observations relevant to the Company's Better Outcome Plan, based on the findings of 1. to 3. above;
5. Prepare a "Plan B" analysis, considering what the alternative of placing the Group into Voluntary Administration might 'look like', including likely returns to financial stakeholders;
6. Such other areas of analysis which may be requested by the board or Safe Harbour advisor.

Scope items 4 to 6 above were not completed.

FTI Consulting issued a draft report on 29 September 2022 in accordance with the Scope of Work, with the final report issued on 20 October 2022.

As part of our engagement, we attended meetings and held discussions with the directors and personnel of the Group. Our involvement in these meetings and discussions was to receive and discuss underlying information to inform the content of our report, and to describe our procedures and findings in respect of the work we were engaged to perform as detailed above.

Our interactions with Cromarty immediately prior to and during the engagement are listed below:

Date	Medium	FTI consulting participant	External participant	Agenda/purpose/discussion
6 September	Text	Andrew Bantock	Patrick O'Connor (sender)	<ul style="list-style-type: none"> Request a call to discuss safe harbour and legal advisor options for Red River Resources
6 September	Telephone call	Andrew Bantock	Patrick O'Connor	<ul style="list-style-type: none"> Discussed group circumstances and potential need for support, plus recommendations on legal advisor
12 September	Meeting	Andrew Bantock, Kate Warwick	Patrick O'Connor	<ul style="list-style-type: none"> Introduction, overview of situation, request for proposal
14 September	Email	Kate Warwick (sender), Andrew Bantock	Patrick O'Connor	<ul style="list-style-type: none"> Provision of proposal to assist through providing independent limited scope review services
15 September	Email	Kate Warwick (sender), Andrew Bantock, George Tansley	Patrick O'Connor	<ul style="list-style-type: none"> Provision of draft engagement letter for independent limited scope review services
15 September	Emails	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> Provision of information
16 September	Emails	Kate Warwick (sender), Andrew Bantock, George Tansley,	Patrick O'Connor	<ul style="list-style-type: none"> Finalisation of engagement letter for independent limited scope review
16 September	Emails	Kate Warwick, George Tansley, Martin Nicholson	Patrick O'Connor (sender)	<ul style="list-style-type: none"> Provision of information
17 September	Emails	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> Provision of information
18 September	Emails	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> Provision of information

19 September	Emails	Kate Warwick, Martin Nicolson, George Tansley	Patrick O'Connor (sender), Rod Lovelady	<ul style="list-style-type: none"> ■ Provision of information
20 September	Meeting	Kate Warwick, George Tansley, Martin Nicholson	Patrick O'Connor, Rod Lovelady	<ul style="list-style-type: none"> ■ Introduction and overview of situation
20 September	Emails	Kate Warwick, George Tansley, Martin Nicholson	Rod Lovelady (Sender), Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of information
21 September	Text	Andrew Bantock	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Update on discussion with shareholder
21 September	Text	Andrew Bantock (sender)	Patrick O'Connor	<ul style="list-style-type: none"> ■ Confirm that proposal to provide VA services would be sent
21 September	Email	Kate Warwick (sender), Martin Nicholson, George Tansley	Patrick O'Connor	<ul style="list-style-type: none"> ■ Overview of Voluntary Administration process
21 September	Meeting	Kate Warwick, George Tansley, Martin Nicholson	Rod Lovelady	<ul style="list-style-type: none"> ■ Provision of information
21 September	Emails	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Provision of information
22 September	Emails	Kate Warwick, George Tansley, Martin Nicholson	Rod Lovelady (sender)	<ul style="list-style-type: none"> ■ Provision of information
23 September	Email	Kate Warwick (sender), George Tansley, Martin Nicholson	Patrick O'Connor	<ul style="list-style-type: none"> ■ Draft independent limited scope review report provided for Management comment
23 September	Email	Kate Warwick, George Tansley,	Rod Lovelady (sender)	<ul style="list-style-type: none"> ■ Comments on draft independent limited scope review report

		Martin Nicholson		
23 September	Teams meeting	Kate Warwick, George Tansley, Martin Nicolson	Rod Lovelady	<ul style="list-style-type: none"> ■ Discussion on draft independent limited scope review report
23 September	Emails	Kate Warwick, George Tansley, Martin Nicholson	Rod Lovelady (Sender), Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of information
26 September	Emails	Kate Warwick, George Tansley, Martin Nicholson	Rod Lovelady (Sender)	<ul style="list-style-type: none"> ■ Provision of information
26 September	Emails	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Order of agenda for Board meeting and response
27 September	Emails	Kate Warwick, George Tansley, Martin Nicolson	Patrick O'Connor (sender), Rod Lovelady	<ul style="list-style-type: none"> ■ Provision of information
28 September	Emails	Kate Warwick, George Tansley, Martin Nicolson	Patrick O'Connor (sender), Rod Lovelady (sender)	<ul style="list-style-type: none"> ■ Provision of information
28 September	Email	Kate Warwick (sender), Martin Nicolson	Rod Lovelady	<ul style="list-style-type: none"> ■ Provision of updated draft independent limited scope review report
29 September	Emails	Kate Warwick, George Tansley, Martin Nicholson	Rod Lovelady (sender)	<ul style="list-style-type: none"> ■ Provision of information
29 September	Email	Kate Warwick (sender), George Tansley, Martin Nicholson	Patrick O'Connor, Rod Lovelady	<ul style="list-style-type: none"> ■ Provision of final draft independent limited scope review report
29 September	Teams meeting	Kate Warwick, George Tansley	Rod Lovelady	<ul style="list-style-type: none"> ■ Discussion in relation to draft independent limited scope review report

4 October	Meeting	Kate Warwick	John Stragalinos	<ul style="list-style-type: none"> ■ Discussion on final draft independent limited scope review report
6 October	Meeting	Kate Warwick, George Tansley	Rod Lovelady	<ul style="list-style-type: none"> ■ Discussion re potential reporting format re ongoing monitoring engagement
6 October	Email	cced Kate Warwick	Patrick O'Connor, (sender) Mark Hanlon, Karl Spaleck, Mel Palancian, Rod Lovelady	<ul style="list-style-type: none"> ■ Re legal adviser
7 October	Email	Kate Warwick	Rod Lovelady (sender), Patrick O'Connor	<ul style="list-style-type: none"> ■ Weekly cashflow report
11 October	Email	Kate Warwick (sender)	Patrick O'Connor, Rod Lovelady	<ul style="list-style-type: none"> ■ Draft agenda re weekly monitoring report regime and FTI Report
13 October	Email	Kate Warwick	Rod Lovelady (sender)	<ul style="list-style-type: none"> ■ Provision of information
13 October	Email	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Provision of information
13 October	Meeting	Kate Warwick	Geoff Green	<ul style="list-style-type: none"> ■ Discussion in relation to potential Harbourside Advisory engagement as safe harbour advisor
14 October	Text phone message	Andrew Bantock	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Set up meeting on 17 October
14 October	Email	Kate Warwick, George Tansley	Rod Lovelady (sender), Patrick O'Connor	<ul style="list-style-type: none"> ■ Weekly cashflow report
16 October	Email	Andrew Bantock	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Provided memorandum setting out current circumstances of Red River group and potential actions
16 October	Meeting	Andrew Bantock, Kate Warwick (virtual)	Patrick O'Connor	<ul style="list-style-type: none"> ■ Discuss current circumstances
17 October	Email	Kate Warwick (sender)	Rod Lovelady	<ul style="list-style-type: none"> ■ Acknowledgement of receipt of weekly cashflow report

17 October	Meeting and Teams	Kate Warwick, Andrew Bantock	Patrick O'Connor	<ul style="list-style-type: none"> ■ Discussion in relation to potential ongoing limited scope monitoring role of FTI
19 October	Emails	Kate Warwick (sender)	John Stragalinos	<ul style="list-style-type: none"> ■ Outlined and discussed proposed scope of FTI ongoing monitoring services
19 October	Email	Kate Warwick	John Stragalinos (sender)	<ul style="list-style-type: none"> ■ Provision of proposed Safe Harbour Adviser scope for Harbourside Advisory
20 October	Email	Kate Warwick	Rod Lovelady (sender), Patrick O'Connor	<ul style="list-style-type: none"> ■ Weekly cashflow report
20 October	Email	Kate Warwick (sender), Andrew Bantock, George Tansley	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of final independent limited scope review report dated 20 September

Annexure C

Interactions between FTI Consulting staff and Cromarty representatives/other third parties during the period 20 October 2022 and 27 October 2022.

Date	Medium	FTI consulting participant	External participant	Agenda/purpose/discussion
20 October	Email	Kate Warwick (sender), Andrew Bantock, George Tansley	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of draft scope re potential ongoing limited scope monitoring role
20 October	Email	Kate Warwick (sender), Andrew Bantock, George Tansley	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of summary of definition of "excluded employee"
20 October	Meeting and Teams	Kate Warwick, Andrew Bantock Mike Ryan	Patrick O'Connor	<ul style="list-style-type: none"> ■ Introduction of Mike Ryan to the matter and receive an update from Patrick O'Connor as to current status
21 October	Email	Kate Warwick (sender)	Rod Lovelady	<ul style="list-style-type: none"> ■ Acknowledgement of receipt of weekly cashflow report
26 October	Emails	Kate Warwick	Patrick O'Connor (sender)	<ul style="list-style-type: none"> ■ Provision of information
26 October	Email	Kate Warwick (sender)	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of standard wording in relation to VA appointment
27 October	Email	Kate Warwick, George Tansley	Rod Lovelady (sender)	<ul style="list-style-type: none"> ■ Provision of information
27 October	Email	Kate Warwick (sender)	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of draft VA appointment pack
27 October	Email	Kate Warwick, Mike Ryan, David McGrath, George Tansley	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of final appointment pack
27 October	Email	Kate Warwick	Patrick O'Connor	<ul style="list-style-type: none"> ■ Provision of credit note

27 October	Email	Kate Warwick, Mike Ryan, David McGrath, Andrew Bantock	Patrick O'Connor	■ Provision of executed appointment documents
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Non FTI Consulting staff positions held at the date of interactions

Name	Position/title held	Representing
Patrick O'Connor	Director of Cromarty and Chairman of Red River Resources Limited	The Company
Karl Werner Spaleck	Director	The Company
Rod Lovelady	CFO Red River Resources Limited	The Company
John Stragalinos	Partner Dentons	The Board
Geoff Green	Potential Safe Harbour Adviser	