

Our Ref.: MPH-500000.9846-E-GC-C1

19 February 2024

CIRCULAR TO CREDITORS

IG POWER (CALLIDE) LTD

(ADMINISTRATORS APPOINTED) (SPECIAL PURPOSE ADMINISTRATORS APPOINTED)

ACN 082 413 885

("THE COMPANY")

I advise that Ben Campbell and I, John Park, were appointed Special Purpose Administrators of the Company pursuant to an order in the Federal Court of Australia on 29 January 2024 ("**Order**"). A copy of the Court Order is attached for your reference.

The purpose of this circular is to give creditors of the Company notice of the Special Purpose Administrators' appointment and their intention to apply to the Court for approval of them entering into a funding and indemnity deed with Sev.en Gamma a.s ("**Sev.en**").

The Order provides, inter-alia, that the Special Purpose Administrators are empowered to:

- conduct investigations into the cause or causes of the two catastrophic incidents at the Callide C power station, specifically, the explosion of the unit C4 turbine on 25 May 2021 and the partial collapse of the unit C3 cooling tower on or around 31 October 2022 (the "**Incidents**"), and any claims available to the Company against any party arising out of, relating to or in any way connected with the Incidents;
- commence and prosecute any legal proceedings in the name of the Company or as administrator of the Company arising from the investigations and examinations referred to herein, and from the examination of the books and records of the Company;
- commence and/or defend any legal proceedings in the name of the Company or as administrator of the Company that concern a third party seeking to acquire the Company's Interest in the joint venture, as that term is defined in the Joint Venture Agreement dated 11 May 1998; and
- make an application pursuant to ss 442A and/or 447A of the Act, and/or s 90-15 of Sch 2 to the Act, that they be justified in executing, on their own behalf as Special Purpose Administrators and on behalf of the Company, a funding and indemnity deed.

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In this regard, to assist with their investigations, the Special Purpose Administrators intend to shortly apply to Court for approval of the Special Purpose Administrators entering into a funding and indemnity deed which broadly provides that:

- the Special Purpose Administrators' costs will be met by Sev.en so as to avoid any duplication of costs with the earlier appointed Administrators;
- the funding will be available for the remuneration of the Special Purpose Administrators and for their legal expenses. If the initial limit of funds is reached, a request can be made for additional funding and the parties will consult in good faith and the same applies in relation to subsequent limits;
- the Special Purpose Administrators' obligation to repay Sev.en is limited to the recoveries received by the Company in connection with the investigation, subsequent proceedings, or any appeal;
- if the Special Purpose Administrators consider that it is appropriate to commence proceedings, they will consult with Sev.en and the earlier appointed Administrators with a view to funding that litigation.

If you have any queries regarding this circular or the Special Purpose Administrators' appointment generally, please do not hesitate to contact the Special Purpose Administrators' office via email at Mark.Hellwege@fticonsulting.com or telephone on (07) 3225 4918.

Yours faithfully



John Park

Special Purpose Administrator



Federal Court of Australia
District Registry: Queensland
Division: General

No: QUD541/2023

SEV.EN GAMMA A.S.
Plaintiff

IG POWER (CALLIDE) LTD (ADMINISTRATORS APPOINTED) ACN 082 413 885
and others named in the schedule
Defendants

ORDER

JUDGE: JUSTICE DERRINGTON

DATE OF ORDER: 29 January 2024

WHERE MADE: Brisbane

THE COURT ORDERS THAT:

1. Pursuant to s 440D(1)(b) of the *Corporations Act 2001* (Cth) (the Act), the plaintiff be granted leave, *nunc pro tunc*, to begin these proceedings.
2. Pursuant to s 447A of the Act, John Richard Park and Benjamin Peter Campbell of FTI Consulting be appointed as additional administrators of the first defendant (the Special Purpose Administrators).
3. Pursuant to s 447A of the Act, the Special Purpose Administrators appointed under Order 2 be empowered to carry out the functions specified in Annexure A to these Orders.
4. The Special Purpose Administrators be entitled to exercise, solely for the purposes of carrying out the functions specified in Annexure A to these Orders, all the powers conferred on an administrator by s 437A and Div 8 of Pt 5.3A of the Act.
5. Pursuant to s 447A of the Act, the second and third defendants (in their capacity as primary administrators of the first defendant):
 - (a) subject to these Orders, must refrain from exercising any of the powers of the Special Purpose Administrators specified in Annexure A to these Orders,



except with the prior written consent of the Special Purpose Administrators or by leave of the Court; and

- (b) must use their reasonable endeavours to assist the Special Purpose Administrators to exercise the powers given to them by Order 4, including by providing documents or information previously prepared or obtained by them in investigating or pursuing any claim in relation to the matters set out in Annexure A to these Orders.
6. Pursuant to s 447A of the Act, ss 443D – 443F of the Act do not apply in the appointment of the Special Purpose Administrators and the Special Purpose Administrators:
- (a) are not entitled to be indemnified out of the first defendant's property; and
 - (b) do not have a lien over the first defendant's property.
7. The Special Purpose Administrators and the parties have leave to apply to the Court for any further or other order or other relief to which they might be entitled arising from the reasons for judgment delivered herewith.
8. Despite the content of Annexure A to these Orders:
- (a) nothing therein prevents the second and third defendants from making an application to the Court to extend the period for convening the second meeting of the creditors of the first defendant; and
 - (b) the Special Purpose Administrators must give to the second and third defendants:
 - (i) copies of any reports that they produce in relation to any investigations undertaken in relation to the matters referred to in Annexure A;
 - (ii) written advice as to the progress of any investigations being undertaken as is reasonable requested by the second and third defendants.
9. The parties are to be heard on the question of costs.



10. The parties have liberty to apply.

Date that entry is stamped: 29 January 2024

Sia Lagos
Registrar



Annexure A

1. Conduct investigations into the cause or causes of the two catastrophic incidents at the Callide C power station, specifically, the explosion of the unit C4 turbine on 25 May 2021 and the partial collapse of the unit C3 cooling tower on or around 31 October 2022 (the **Incidents**), and any claims available to the first defendant against any party arising out of, relating to or in any way connected with the Incidents.
2. Prepare, make an application for, and conduct with the assistance of legal representatives of their choosing, such examinations under ss 596A and 596B of the Act and obtain such orders for production pursuant to s 579(9) of the Act as are necessary or desirable for the purposes of the investigations referred to herein.
3. Engage a suitably qualified technical expert or experts to assess the cause or causes of the Incidents to the extent that it is necessary or desirable to do so for the purposes of the investigations referred to herein.
4. Give consideration to the claims available to the first defendant or its administrators in relation to the Incidents arising from the investigations and examinations referred to in this Annexure, and from examination of the books and records of the first defendant, including obtaining and considering legal advice in respect of any such claims.
5. Commence and prosecute any legal proceedings in the name of the first defendant or as administrator of the first defendant arising from the investigations and examinations referred to herein, and from the examination of the books and records of the first defendant.
6. Commence and/or defend any legal proceedings in the name of the first defendant or as administrator of the first defendant that concern a third party seeking to acquire IGPC's Interest in the joint venture, as that term is defined in the Joint Venture Agreement dated 11 May 1998.
7. Take possession of such books and records of the first defendant as the Special Purpose Administrators deem necessary for the purpose of the investigations and examinations referred to herein, subject to the proviso that the Special Purpose Administrators will provide the second and third defendants all reasonable access to



those books and records and the second and third defendants are permitted to make such copies of them as they see fit.

8. Undertake such further or other matters in relation to the administration and affairs of the first defendant as the Court considers appropriate and so orders. This includes, for the avoidance of doubt, making an application to extend the administration of the first defendant.
9. Make an application pursuant to ss 442A and/or 447A of the Act, and/or s 90-15 of Sch 2 to the Act, that they be justified in executing, on their own behalf as Special Purpose Administrators and on behalf of the first defendant, a funding and indemnity deed.



Schedule

No: QUD541/2023

Federal Court of Australia

District Registry: Queensland

Division: General

Second Defendant RICHARD J HUGHES IN HIS CAPACITY AS JOINT AND
SEVERAL ADMINISTRATOR OF IG POWER (CALLIDE) PTY
LTD (ADMINISTRATORS APPOINTED) ACN 082 413 885

Third Defendant GRANT D SPARKS IN HIS CAPACITY AS JOINT AND
SEVERAL ADMINISTRATOR OF IG POWER (CALLIDE) PTY
LTD (ADMINISTRATORS APPOINTED) ACN 082 413 885