

**Cockatoo Coal Limited (Administrators  
Appointed) (the Company) & subsidiaries (the  
Companies)**

**November 2015 – Shareholder FAQ**

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<p>A1. Who is PPB Advisory?</p>	<p>PPB Advisory is a leading professional advisory firm that employs over 250 people across Australia and New Zealand.</p> <p>You can find out more at <a href="http://www.ppbadvisory.com">www.ppbadvisory.com</a>.</p>
<p>A2. What has happened to the Companies? Why did the administration come about?</p>	<p>The directors of the Companies believed it would not be possible to continue meeting all financial commitments as and when they fell due and appointed Grant Sparks, Martin Ford and Stephen Longley of PPB Advisory as Joint and Several Administrators pursuant to Section 436A of the Corporations Act.</p> <p>The Administrators will be carrying out investigations as to how the factors that led to the appointment of Administrators which will be outlined in the second report to creditors pursuant to section 439A of the Corporations Act. The preliminary view is a combination of factors put the Companies in an unviable financial position, including:</p> <ul style="list-style-type: none"> <li>• the declining price of coal, and</li> <li>• the contingent liabilities arising from agreements with Wiggins Island Coal Export Terminal (WICET).</li> </ul>
<p>A3. What companies have been placed into administration?</p>	<ul style="list-style-type: none"> <li>• Cockatoo Coal Limited ACN 112 682 158</li> <li>• Baralaba Coal Pty Ltd ACN 009 805 029</li> <li>• Wonbindi Coal Pty Ltd ACN 114 668 941</li> <li>• Cockatiel Coal Pty Ltd ACN 096 909 634</li> </ul>
<p>A4. What are the next steps?</p>	<p>The Administrators are working with the Companies' management team to fully understand the options available to the Group. This may include a restructure or recapitalisation of the Companies at an appropriate time.</p>
<p>A5. What is a voluntary administration?</p>	<p>Voluntary administration is an insolvency procedure where the directors of a financially troubled company or a secured creditor with a charge over most of the company's assets appoint an external administrator called a 'voluntary administrator'.</p> <p>The role of the voluntary administrator is to investigate the company's affairs, to report to creditors and to recommend to creditors whether the company should enter into a deed of company arrangement, be placed into liquidation or be returned to the directors.</p> <p>For more information regarding administrations, please visit <a href="http://www.asic.gov.au">www.asic.gov.au</a>.</p>

<p>A6. How long will the voluntary administration process take?</p>	<p>The first meeting of creditors will be held on Wednesday, 25 November 2015. A second creditors meeting must be held by 21 December 2015 (unless the convening period is extended), at which time the future of the Companies will be voted on by the creditors. The outcome of this meeting will either be a deed of company arrangement, liquidation or the company being returned to the directors. A company would generally only be returned to the directors if it was found to be solvent.</p> <p>Creditors and employees will be kept informed as to the details of the second creditors meeting.</p>
<p>A7. Will I get any money back?</p>	<p>Shareholders rank behind creditors in the distribution of funds. It is too early to tell whether shareholders will receive a return.</p>
<p>A8. Can I sell or transfer my shares?</p>	<p>The transfer of shares during the voluntary administration process will not be effective unless the Administrators give written consent or it is permitted by the court. The Administrators will need to be satisfied that the transfer is in the interest of the Company.</p>
<p>A9. What are my rights as a shareholder in a voluntary administration?</p>	<p>The Administrators are not required to report to shareholders on the progress or outcome of the voluntary administration. Shareholders are not eligible to vote on the Companies' future.</p>
<p>A10. Can I claim a capital loss on my shares?</p>	<p>If the Company enters into a deed of company arrangement or liquidation, the deed administrator or liquidator may make a written declaration that they have reasonable grounds to believe there is no likelihood shareholders will receive any further distribution. This will enable shareholders to claim a capital loss.</p>
<p>A11. Where can I get a copy of the Report to Creditors or other public communications issued by the Administrators?</p>	<p>A copy of the First Report to Creditors was issued on 17 November 2015 to all known creditors and employees. A copy of the report to creditors and other key communications issued to stakeholders can be found on the PPB Advisory website: <a href="http://www.ppbadvisory.com">www.ppbadvisory.com</a> under the link Creditor Information section.</p> <p>There will also be updates posted on the ASX: <a href="http://www.asx.com.au">www.asx.com.au</a>.</p>
<p>A12. When and where is the meeting of creditors being held?</p>	<p>The first meeting of creditors will be held on Wednesday, 25 November 2015 at 11.00am AEST, concurrently at:</p> <ol style="list-style-type: none"> <li>1. Katana Room, Christie Corporate Centre, Level 2, 320 Adelaide Street, Brisbane QLD 4000 (primary venue); and</li> <li>2. Empire Conference Centre, 5 East Street, Rockhampton QLD 4700 (secondary venue via conference call)</li> </ol> <p>Shareholders may attend the meeting as observers but are not entitled to vote.</p>