

Media release

For Release:

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PPB Advisory appointed Administrators of Caledon Coal

Grant Sparks, Stephen Longley and Martin Ford of PPB Advisory have been appointed Administrators of Caledon Coal Pty Ltd ('Caledon') and four related companies CC Pty Ltd, Blackwater Coal Pty Ltd, Bowen Basin Pastoral Company Pty Ltd and Guangdong Rising (Australia) Pty Ltd.

Caledon is a coking coal and thermal coal producer with assets near Blackwater in the Bowen Basin of Queensland, Australia. Caledon operates the Cook Colliery and is evaluating the development of the Minyango Project.

Cook Colliery has not operated since 7 March 2017 after a large water inflow in a new longwall production panel inundated the equipment and caused all underground production to be halted.

The Cook Colliery is Caledon's single operating asset and sole source of income. Prior to flooding, 85% of the mine's 2017 coal production was expected to be sourced from the longwall production panel.

The Group employs approximately 250 full time employees. As a result of the flooding, it was necessary for Caledon to stand down approximately 70 employees at Cook Colliery with effect from 18 March 2017.

PPB Advisory is currently undertaking an urgent review of Caledon and will work with stakeholders to assess the current position of the company and opportunities to restructure the business for the future. It is the intention of the Administrators to place Caledon's operations into care and maintenance during the administration period.

The Administrators will investigate the affairs of Caledon and will report their findings to creditors.

Commenting on the appointment, PPB Advisory partner, Grant Sparks said: "Following our appointment as Administrators of Caledon, our primary focus is to work with all stakeholders to assess the business and explore all options to restructure the business for the future."

The first meeting of creditors is due to take place on 24 May 2017.

Further information is available to creditors and employees of Caledon under the Creditors Information section of the PPB Advisory website at www.ppbadvisory.com

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