

CONCISE STATEMENT OF FINANCIERS

No. VID 1010 of 2017

FEDERAL COURT OF AUSTRALIA
DISTRICT REGISTRY: VICTORIA
DIVISION: CORPORATIONS LIST

**IN THE MATTER OF ACN 004 410 833 LIMITED (FORMERLY ARRIUM LIMITED)
(SUBJECT TO DEED OF COMPANY ARRANGEMENT) ACN 004 410 833 (AND EACH OF
THE COMPANIES LISTED IN THE SCHEDULE)**

**MARK FRANCIS XAVIER MENTHA, CASSANDRA ELYSIUM MATHEWS, MARTIN
MADDEN AND BRYAN WEBSTER IN THEIR CAPACITIES AS JOINT AND SEVERAL
DEED ADMINISTRATORS OF ACN 004 410 833 LIMITED (FORMERLY ARRIUM
LIMITED) (SUBJECT TO DEED OF COMPANY ARRANGEMENT) ACN 004 410 833 (AND
EACH OF THE COMPANIES LISTED IN THE SCHEDULE)**

First Plaintiffs

**ACN 004 410 833 LIMITED (FORMERLY ARRIUM LIMITED) (SUBJECT TO DEED OF
COMPANY ARRANGEMENT) ACN 004 410 833 (AND EACH OF THE COMPANIES
LISTED IN THE SCHEDULE)**

Second Plaintiffs

AND

EPIC ENERGY SOUTH AUSTRALIA PTY LTD (ACN 068 599 815)

Defendant

- 1 This statement is made on behalf of the Financiers as defined in the Originating Process and which are listed in Schedule 2. They consist of:
- (a) 34 participants under the Syndicated Facility Agreements in Tabs 2, 3 and 4 of exhibit MAK-1 (numbered 1-34 in the list in Schedule 2);
 - (b) 6 lenders under the bilateral facilities in Tabs 5, 6, 7, 8, 9 and 10 of MAK-1 (named at items 3, 6, 13, 24, 34 and 35 in the list in Schedule 2); and
 - (c) 19 holders of notes under the Note Agreements in Tabs 11 and 12 of MAK-1 (numbered 36-54 in the list in Schedule 2),

Filed on behalf of the Financiers listed in Schedule 2

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and are each beneficiaries under either the Group Guarantee in MAK-1, Tab 13 or the Group Guarantee in MAK-1, Tab 14.

- 2 Unless otherwise defined, expressions defined in the Plaintiffs' Concise Statement dated 21 September 2017 and the affidavit of Mark Anthony Korda sworn on that day have the same meaning in this statement.
- 3 Pursuant to clauses 3.2 and 4.3 of the Lender Standstill Deed (MAK-2, Tab 6), the "Appointment Entities" and "Standstill Entities" acknowledged that the amount owing to the Financiers under the Existing Facilities was due and payable. The Lender Standstill Deed provided for the 'quarantining' of the proceeds of realisation of the Standstill Entities and the allocation of those proceeds among the Financiers. The two other Standstill Deeds were in substantially identical terms.
- 4 The Override Deed (MAK-2, Tab 9) provided machinery for obtaining the consents and releases from the Financiers necessary to implement the realisation of the Standstill Entities free of the Financiers' claims and for the distribution of the resulting proceeds amongst the Financiers. By clause 1.5 of the Override Deed, Arrium was appointed the agent of every "Obligor" (which term included the guarantors under the Group Guarantees, two of the "Molycop Holding Companies" and the 16 "Standstill Entities") to execute on their behalf a range of documents in respect of, or in connection with, the "Approved Transaction". Clause 3.2 contained confirmation by the Obligors that their guarantees and other obligations under the finance documents continued. Additionally, clause 3.2(d) relevantly provided as follows:

At each Consent Effective Time, the Remaining Obligors (other than the Nominated Released Obligors) acknowledge and agree that, notwithstanding any amendments, variations, waivers, releases or consents granted by the Financiers pursuant to this document (including the release of the Nominated Released Obligors)... until such time as the Financiers have received the total Amount Owing in full, the total Amount Owing remains outstanding.
- 5 "Amount Owing" was defined in the Override Deed by reference to the amount owing to the Financiers as at the date that the administration commenced, being 7 April 2016.
- 6 Pursuant to the Override Deed, a deed poll called the "Required Consent Report" dated 17 November 2016 (**RCR**) was provided to the Financiers. The RCR sought Financier consent for a "Proposed Transaction" that included the sale of the shares in PT Commonwealth Steel Indonesia, Commonwealth Steel Company Pty Limited, MolyCop Steel Inc, the OneSteel US Investments partnership and OneSteel UK Holdings Limited. The RCR was executed as a deed poll on behalf of, inter alia,

Arrium Limited (as agent pursuant to the Override Deed for the other Obligor) and the five Moly-Cop Sellers. Paragraph 5.1(a)(iii) of the RCR relevantly provided that:

The Administrators, the Appointment Entities and the Appointment Obligors acknowledge that... any proceeds or distributions received by the Financiers in connection with the Proposed Transaction will not prejudice their right to prove for the Amount Owed as of the Relevant Date or receive distributions under the DOCAs.

- 7 On 30 December 2016, the Continuing Obligors executed a separate deed poll called "Deed Poll (Remaining Obligors)" (MAK-2, Tab 12) (**Deed Poll**), which provided at clause 3 that:

At the Transaction Implementation Date (as defined in the Required Consent Report), each Remaining Obligor acknowledges and agrees that, notwithstanding any amendment, variation, waiver, release or consent granted by the Financiers pursuant to the Required Consent Report:

- (i) the Proceeds from the Proposed Transaction (as defined in the Required Consent Report) being paid to the Global Agent are insufficient to discharge the Amount Owed in full;
- (ii) until such time as the Financiers have received the total Amount Owed in full, the total Amount Owed remains outstanding;
- (iii) each such Remaining Obligor is jointly and severally liable to pay the Amount Owed in accordance with the terms of the Subject Finance Documents; and
- (iv) each such Remaining Obligor's obligations under the Subject Finance Documents are not affected by the variation, waivers, releases or consents granted.

- 8 On the "Transaction Implementation Date" (being 3 January 2017), pursuant to, and on the conditions in, the Override Deed, the RCR and the Deed Poll, the Financiers released the Moly-Cop Sale Entities from their obligations as borrowers and/or guarantors under the Existing Facilities and the transaction proceeded to completion.

- 9 The effect of the Override Deed, the RCR and the Deed Poll is clear. All relevant corporations in the Arrium Group have acknowledged and agreed that the receipt by the Financiers of the Moly-Cop Sale Proceeds did not constitute an extinguishment of any part of the debt owing to the Financiers as at the Appointment Date and that the entire amount owing to Financiers remained outstanding.

- 10 Pursuant to clauses 18 and 19 of the Distribution DOCA, (MAK-1, Tab 18) executed on 4 November 2016, the "Entitlements" of "Arrium Group Creditors" are to be adjudicated as at the "Appointment Date" (being 7 April 2016).

- 11 In the circumstances, the Administrators cannot do otherwise than to admit in full the proofs of the Arrium Group Claims lodged by the Financiers. On 21 September 2017, the Administrators duly took this step, admitting Financier claims (subject to certain qualifications irrelevant for present purposes) without deducting the Moly-Cop Sale Proceeds.

Date: 4 October 2017

This Concise Statement was prepared by Peter Collinson and Robert Strong of Counsel.

A handwritten signature in blue ink, appearing to be 'K. Troiani', with a small blue dot at the end.

Signed by Tony Troiani
Solicitors for the Financiers

Certificate of lawyer

I, Tony Troiani, certify to the Court that, in relation to the Concise Statement filed on behalf of the Financiers, the factual and legal material available to me at present provides a proper basis for each allegation in the Concise Statement.

Date: 4 October 2017



Signed by Tony Troiani
Solicitors for the Financiers

SCHEDULE 1

- 1 A.C.N. 006 769 035 Pty Limited (Subject to Deed of Company Arrangement) (ACN 006 769 035)
- 2 Akkord Pty Limited (Subject to Deed of Company Arrangement) (ACN 060 486 991)
- 3 ANI Construction (W.A.) Pty Limited (Subject to Deed of Company Arrangement) (ACN 008 670 871)
- 4 OS Finance Pty Limited (formerly known as Arrium Finance Pty Limited) (Subject to Deed of Company Arrangement) (ACN 093 954 940)
- 5 AIOH Pty Limited (formerly known as Arrium Iron Ore Holdings Pty Limited) (Subject to Deed of Company Arrangement) (ACN 152 752 844)
- 6 A.C.N. 004 410 833 Limited (formerly known as Arrium Limited) (Subject to Deed of Company Arrangement) (ACN 004 410 833)
- 7 Atlas Group Employees Superannuation Fund Pty. Limited. (Subject to Deed of Company Arrangement) (ACN 060 568 998)
- 8 Atlas Group Staff Superannuation Fund Pty Limited (Subject to Deed of Company Arrangement) (ACN 059 654 241)
- 9 Atlas Group Superannuation Plan Pty Limited (Subject to Deed of Company Arrangement) (Subject to Deed of Company Arrangement) (ACN 065 649 050)
- 10 Australian National Industries Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 066 071)
- 11 Australian Wire Industries Pty Limited (Subject to Deed of Company Arrangement) (ACN 064 267 456)
- 12 ATMH Pty Limited (formerly known as Austube Mills Holdings Pty Limited) (Subject to Deed of Company Arrangement) (ACN 123 160 172)
- 13 AWI Holdings Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 157 475)
- 14 B.G.J. Holdings Proprietary Limited (Subject to Deed of Company Arrangement) (ACN 004 859 536)
- 15 Bradken Consolidated Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 011 932)
- 16 Central Iron Pty Limited (Subject to Deed of Company Arrangement) (ACN 143 503 397)
- 17 Cockatoo Dockyard Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 025 918)
- 18 Comsteel Pty. Limited (Subject to Deed of Company Arrangement) (ACN 006 218

524)

- 19 Coober Pedy Resources Pty Limited (Subject to Deed of Company Arrangement) (ACN 151 599 905)
- 20 Eagle & Globe Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 122 305)
- 21 Email Accumulation Superannuation Pty Limited (Subject to Deed of Company Arrangement) (ACN 065 263 658)
- 22 Email Executive Superannuation Pty Limited (Subject to Deed of Company Arrangement) (ACN 065 263 818)
- 23 Email Holdings Pty Limited (Subject to Deed of Company Arrangement) (ACN 092 348 555)
- 24 Email Management Superannuation Pty Limited (Subject to Deed of Company Arrangement) (ACN 065 263 710)
- 25 Email Metals Pty. Limited. (Subject to Deed of Company Arrangement) (ACN 004 574 681)
- 26 Email Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 029 407)
- 27 Email Superannuation Pty Limited (Subject to Deed of Company Arrangement) (ACN 065 263 603)
- 28 Emwest Holdings Pty. Limited. (Subject to Deed of Company Arrangement) (ACN 001 992 123)
- 29 Emwest Properties Pty Limited (Subject to Deed of Company Arrangement) (ACN 003 146 334)
- 30 GSF Management Pty Limited (Subject to Deed of Company Arrangement) (ACN 064 116 874)
- 31 J.Murray-More(Holdings) Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 158 412)
- 32 John McGrath Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 004 937)
- 33 Kelvinator Australia Pty Limited (Subject to Deed of Company Arrangement) (ACN 007 873 734)
- 34 Litesteel Products Pty Limited (Subject to Deed of Company Arrangement) (ACN 109 854 677)
- 35 Litesteel Technologies Pty Limited (Subject to Deed of Company Arrangement) (ACN 113 101 054)
- 36 Metals Properties Pty. Limited. (Subject to Deed of Company Arrangement) (ACN 000 040 040)
- 37 Metalstores Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 267

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- 38 Metpol Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 927 373)
- 39 N.K.S. (Holdings) Proprietary Limited (Subject to Deed of Company Arrangement) (ACN 004 321 313)
- 40 Dee Gee Co. Pty. Limited. (Subject to Deed of Company Arrangement) (ACN 004 208 191)
- 41 OS Americas Holdings Pty Limited (Subject to Deed of Company Arrangement) (formerly known as OneSteel Americas Holdings Pty Limited) (ACN 147 067 016)
- 42 OS Building Supplies Pty Limited (formerly known as OneSteel Building Supplies Pty Limited) (Subject to Deed of Company Arrangement) (ACN 000 045 349)
- 43 OS Coil Coaters Pty Limited (formerly known as OneSteel Coil Coaters Pty Limited) (Subject to Deed of Company Arrangement) (ACN 123 138 732)
- 44 OS Corporate Pty Limited (formerly known as OneSteel MBS Pty Limited) (Subject to Deed of Company Arrangement) (ACN 096 273 979)
- 45 OS Queensland Pty Limited (formerly known as OneSteel Queensland Pty Limited) (Subject to Deed of Company Arrangement) (ACN 010 558 871)
- 46 OSRec Holdings Pty Limited (formerly known as OneSteel Recycling Holdings Pty Limited) (Subject to Deed of Company Arrangement) (ACN 059 240 952)
- 47 OSRec Overseas Pty Limited (formerly known as OneSteel Recycling Overseas Pty Limited) (Subject to Deed of Company Arrangement) (ACN 105 479 356)
- 48 OS Stainless Australia Pty Limited (formerly known as OneSteel Stainless Australia Pty Limited) (Subject to Deed of Company Arrangement) (ACN 004 610 851)
- 49 OS Stainless Pty Limited (formerly known as OneSteel Stainless Pty Limited) (Subject to Deed of Company Arrangement) (ACN 006 362 652)
- 50 OS Technologies Pty Limited (formerly known as OneSteel Technologies Pty Limited) (Subject to Deed of Company Arrangement) (ACN 096 380 219)
- 51 OS US11 Pty Limited (formerly known as OneSteel US Investments 1 Pty Limited) (Subject to Deed of Company Arrangement) (ACN 131 211 606)
- 52 OS US12 Pty Limited (formerly known as OneSteel US Investments 2 Pty Limited) (Subject to Deed of Company Arrangement) (ACN 131 211 571)
- 53 Overseas Corporation (Australia) Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 242 086)
- 54 PTM Pty Limited (formerly known as Palmer Tube Mills Pty Limited) (Subject to Deed of Company Arrangement) (ACN 010 469 879)
- 55 Pipeline Supplies of Australia Pty Limited (Subject to Deed of Company Arrangement) (ACN 008 573 475)

- 56 Reosteel Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 142 094)
- 57 Roentgen Ray Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 028 106)
- 58 Southern Iron Pty Limited (Subject to Deed of Company Arrangement) (ACN 119 611 068)
- 59 SSG Investments Pty Limited (Subject to Deed of Company Arrangement) (ACN 085 490 526)
- 60 SSG No.2 Pty Limited (Subject to Deed of Company Arrangement) (ACN 087 840 720)
- 61 SSG No.3 Pty Limited (Subject to Deed of Company Arrangement) (ACN 087 840 515)
- 62 SSGL Share Plan Nominees Pty Limited (Subject to Deed of Company Arrangement) (ACN 085 943 540)
- 63 ARIX Acquisitions Pty Limited (formerly known as SSX Acquisitions Pty Limited) (Subject to Deed of Company Arrangement) (ACN 090 574 520)
- 64 ARIX Employees Superannuation Fund Pty Limited (Subject to Deed of Company Arrangement) (formerly known as SSX Employees Superannuation Fund Pty Limited) (ACN 064 431 116)
- 65 ARIX Holdings Pty Limited (formerly known as SSX Holdings Pty Limited) (Subject to Deed of Company Arrangement) (ACN 087 813 116)
- 66 ARIX International Pty Limited (formerly known as SSX International Pty Limited) (Subject to Deed of Company Arrangement) (ACN 084 990 947)
- 67 AC Distribution Company Pty Limited (formerly known as The Arrium Creditor Distribution Company Pty Limited) (Subject to Deed of Company Arrangement) (ACN 082 181 726)
- 68 ARIX Retirement Fund Pty Limited (formerly known as SSX Retirement Fund Pty Limited) (Subject to Deed of Company Arrangement) (ACN 064 431 303)
- 69 ARIX Staff Superannuation Fund Pty Limited (formerly known as SSX Staff Superannuation Fund Pty Limited) (Subject to Deed of Company Arrangement) (ACN 064 431 072)
- 70 Tasco Superannuation Management Pty Limited (Subject to Deed of Company Arrangement) (ACN 071 901 712)
- 71 The ANI Corporation Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 421 358)
- 72 Tube Estates Pty. Limited (Subject to Deed of Company Arrangement) (ACN 010 449 939)
- 73 Tube Street Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 785

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- 74 Tube Technology Pty. Limited. (Subject to Deed of Company Arrangement) (ACN 010 469 986)
- 75 Tubemakers of Australia Pty Limited (Subject to Deed of Company Arrangement) (ACN 000 005 498)
- 76 Tubemakers Somerton Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 595 546)
- 77 Western Consolidated Industries Pty Limited (Subject to Deed of Company Arrangement) (ACN 001 185 913)
- 78 X.C.E. Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 081 903)
- 79 XEM (Aust) Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 158 025)
- 80 XLA Pty Limited (Subject to Deed of Company Arrangement) (ACN 004 239 392)
- 81 XLL Pty Limited (Subject to Deed of Company Arrangement) (ACN 006 301 266)
- 82 Zinctek Pty limited (Subject to Deed of Company Arrangement) (ACN 010 474 790)

SCHEDULE 2

LIST OF CURRENT FINANCIERS

PARTICIPANTS UNDER THE SYNDICATED FACILITY AGREEMENTS

- 1 ACMO Finance (Ireland) Designated Activity Company
- 2 Altair Global Credit Opportunities Fund (A), LLC
- 3 ARCM Master Fund III Ltd.
- 4 Arkkan Opportunities Fund Ltd.
- 5 Australia and New Zealand Banking Group Limited
- 6 Banco Bilbao Vizcaya Argentaria, S.A., Hong Kong Branch
- 7 Bank of China Limited
- 8 Bank of Communications Co. Limited
- 9 BNP Paribas
- 10 Brigade Leveraged Capital Structures Fund, Ltd.
- 11 CCP Credit Acquisition Holdings, L.L.C.
- 12 Chang Hwa Commercial Bank Ltd., Offshore Banking Branch
- 13 Commonwealth Bank of Australia
- 14 Cornell University
- 15 CTBC Bank Co., Ltd. Singapore
- 16 Deutsche Bank AG, London Branch
- 17 Deutsche Bank AG, Sydney Branch
- 18 Glendon Opportunities Fund, LP
- 19 Industrial and Commercial Bank of China Limited, Sydney Branch
- 20 Mega International Commercial Bank Co., Ltd, Sydney Branch
- 21 Midtown Acquisitions, L.P.
- 22 Merrill Lynch International
- 23 Mizuho Bank, Ltd.
- 24 National Australia Bank Limited
- 25 Nomura International Plc
- 26 SC Lowy Financial (HK) Limited
- 27 SC Lowy Primary Investments, Ltd
- 28 Taconic Opportunity Master Fund, LP
- 29 Taiwan Business Bank, Sydney Branch
- 30 Taiwan Cooperative Bank, Ltd., Sydney Branch and Taiwan Cooperative Bank, Offshore Banking Branch

- 31 The Bank of Nova Scotia, Singapore Branch
- 32 The Bank of Tokyo-Mitsubishi UFJ, Ltd., Sydney Branch
- 33 United Overseas Bank Limited
- 34 Westpac Banking Corporation

BILATERAL LENDERS

- 35 Australia and New Zealand Banking Group Limited
- Banco Bilbao Vizcaya Argentina, S.A., Hong Kong Branch
- Commonwealth Bank of Australia
- ARCM Master Fund III Ltd.
- Anchorage Capital Master Offshore, Ltd
- National Australia Bank Limited
- Westpac Banking Corporation
- BNP Paribas

US NOTEHOLDERS UNDER 2008 USPP NOTE AGREEMENT AND 2011 USPP NOTE AGREEMENT

- 36 Transamerica Life Insurance Company
- 37 Transamerica Advisors Life Insurance Company
- 38 Massachusetts Mutual Life Insurance Company
- 39 C.M. Life Insurance Company
- 40 The Lincoln National Life Insurance Company
- 41 United of Omaha Life Insurance Company
- 42 The Ohio National Life Insurance Company
- 43 Ohio National Life Assurance Corporation
- 44 Farm Bureau Life Insurance Company of Michigan
- 45 State Farm Life Insurance Company
- 46 State Farm Life and Accident Assurance Company
- 47 Voya Insurance and Annuity Company
- 48 Voya Retirement Insurance and Annuity Company
- 49 Reliastar Life Insurance Company
- 50 Security Life of Denver Insurance Company
- 51 Connecticut General Life Insurance Company
- 52 Mutual of Omaha Insurance Company
- 53 Companion Life Insurance Company
- 54 Nationwide Life Insurance Company