

AFFIDAVIT

No. VID 383 of 2016

Federal Court of Australia

District Registry: Victoria

Division: Corporations List

IN THE MATTER OF ARRIUM LIMITED (ADMINISTRATORS APPOINTED) ACN 004 410 833 (AND EACH OF THE COMPANIES LISTED IN SCHEDULE ONE)

MARK FRANCIS XAVIER MENTHA, CASSANDRA ELYSIUM MATHEWS, MARTIN MADDEN AND BRYAN WEBSTER IN THEIR CAPACITIES AS JOINT AND SEVERAL ADMINISTRATORS OF ARRIUM LIMITED (ADMINISTRATORS APPOINTED) ACN 004 410 833 (AND EACH OF THE COMPANIES LISTED IN SCHEDULE ONE)

First Plaintiffs

ARRIUM LIMITED (ADMINISTRATORS APPOINTED) ACN 004 410 833 (AND EACH OF THE COMPANIES LISTED IN SCHEDULE ONE)

Second Plaintiffs

Affidavit of: **JUSTIN TAEDE VAATSTRA**
Address: Level 21, 333 Collins Street, Melbourne, Victoria
Occupation: Solicitor
Date: 3 May 2016

Tab	Description
[Tab-1]	Email from Arnold Bloch Leibler to Quinn Emanuel dated 2 May 2016 (12:15 pm)
[Tab-2]	Email from Arnold Bloch Leibler to Morgan Lewis dated 2 May 2016 (12:15 pm)
[Tab-3]	Email from Arnold Bloch Leibler to ASIC dated 2 May 2016 (12:15 pm)
[Tab-4]	Email from Arnold Bloch Leibler to Ashurst dated 2 May 2016 at (12:16 pm)
[Tab-5]	Email from Arnold Bloch Leibler to King & Wood Mallesons dated 2 May 2016 (12:16 pm)
[Tab-6]	Email from Arnold Bloch Leibler to Clayton Utz dated 2 May 2016 (12:16 pm)

Filed on behalf of: the Plaintiffs

Prepared by: Leon Zwier

Ref: 011900793

Law firm: **ARNOLD BLOCH LEIBLER**

Tel: 9229 9999

Fax: 9229 9900

DX 38455 Melbourne

Email: lwier@abl.com.au

Address for service: Level 21, 333 Collins Street, Melbourne, VIC 3000



[Tab-7]	Email from Arnold Bloch Leibler to Ashurst dated 2 May 2016 (2:28 pm)
[Tab-8]	Email from Arnold Bloch Leibler to ASIC dated 2 May 2016 (2.28 pm)
[Tab-9]	Email from Quinn Emanuel to Arnold Bloch Leibler dated 2 May 2016 (3:13 pm)
[Tab-10]	Email from Ashurst to Arnold Bloch Leibler dated 2 May 2016 (10:14 am)
[Tab-11]	Email from Ashurst to Arnold Bloch Leibler dated 2 May 2016 (3:17 pm)
[Tab-12]	Email from Arnold Bloch Leibler to Ashurst dated 2 May 2016 (4:38 pm)
[Tab-13]	Email from Arnold Bloch Leibler to Ashurst dated 2 May 2016 (6:28 pm)
[Tab-14]	Email from ASIC to Arnold Bloch Leibler dated 2 May 2016 (3:30 pm)
[Tab-15]	Email from Arnold Bloch Leibler to ASIC dated 2 May 2016 (4:16 pm)
[Tab-16]	Email from Lucas Contract Solutions to Korda Mentha dated 2 May 2016 (3:29 pm)
[Tab-17]	Email from Arrium Non-Unionised Employees to Korda Mentha dated 2 May 2016 (3:41 pm)

I, **JUSTIN TAEDE VAATSTRA** of level 21, 333 Collins Street, Melbourne, in the state of Victoria, Solicitor, **MAKE OATH AND SAY** that:

- 1 I am a partner of Arnold Bloch Leibler, the lawyers for the Plaintiffs, and with Leon Zwier, I have the care and conduct of this proceeding on behalf of the Plaintiffs.
- 2 Except where I otherwise indicate, I make this affidavit from my own knowledge. Where I depose to matters from information and belief, I believe those matters to be true.
- 3 In this affidavit, I refer to Mark Mentha, Martin Madden, Cassandra Mathews and Bryan Webster as the **Administrators** of Arrium Limited (administrators appointed) (**Arrium Ltd**) and the 93 other companies listed in Schedule One to this affidavit (together with Arrium Ltd, the **Arrium Administration Group**).
- 4 This affidavit supplements the affidavit affirmed by Bryan Webster in this Proceeding on 2 May 2016 in support of the orders sought by the Administrators in the Originating Process (**Webster Affidavit**). In this affidavit I adopt the same definitions contained in the Webster Affidavit.
- 5 Now produced and shown to me marked "**JTV-1**" is a folder of documents to which I refer in this affidavit. References in this affidavit to a numbered tab in square brackets are references to the relevant tab in "**JTV-1**".

qw

A Notification and service of the application

6 On 2 May 2016 at about 12:15 pm, Arnold Bloch Leibler provided draft copies of the Originating process and the Webster Affidavit (excluding exhibits) on the following persons:

- (a) Morgan Stanley, by email from Leon Zwier to Beau Deleuil and Elan Sasson of Quinn Emanuel **[Tab-1]**;
- (b) US Noteholders, by email from Leon Zwier to Renee Dailey, Katherine Lindsay, Thomas F O'Connor of Morgan Lewis as agent for the US Noteholders **[Tab-2]**;
- (c) the Australian Securities & Investments Commission (**ASIC**), by email from Leon Zwier to Patricia Hu, Carl Sibilila and Adrian Saggars **[Tab-3]**;
- (d) the First Administrators, by email from Leon Zwier to Joseph Scarcella of Ashurst **[Tab-4]**;
- (e) the Arrium Lenders (with the exception of Morgan Stanley and the US Noteholders) by email from Leon Zwier to Tony Troiani and Tim Klineberg of King & Wood Mallesons **[Tab-5]**; and
- (f) the Directors of the Arrium Administration Group, by email from Leon Zwier to Jennifer Ball of Clayton Utz **[Tab-6]**.

7 On 2 May 2016 at about 2:28 pm, sealed copies of the Originating Process and the Webster Affidavit (excluding exhibits) were served on the following persons:

- (a) the First Administrators, by email to Mr Scarcella of Ashurst **[Tab-7]**; and
- (b) ASIC, by email to Ms Hu, Mr Sibilila and Mr Saggars **[Tab-8]**.

8 On 2 May 2016 at approximately 3:30 pm, hard copies of the Originating Process and the First Webster Affidavit with Exhibit BW-1 were served on the First Administrators by hand delivery to the office of Mr Scarcella of Ashurst at 5 Martin Place, Sydney, New South Wales.

B Communications in relation to standstill arrangements

- 9 On 2 May 2016 at 3:13 pm, Arnold Bloch Leibler received an email from Quinn Emanuel advising that Morgan Stanley agrees to extend the 8 day standstill agreed on 18 April 2016 [Tab-9].

C Communications with Ashurst for the First Administrators

- 10 On 2 May 2016 at 10:14 am, Arnold Bloch Leibler received an email from Ashurst in relation to the relief sought in the Originating Process under section 447A of the *Corporations Act 2001* (Cth) (the **Act**) to the effect that the contractual indemnity given by the Administrators to the First Administrators be treated as a debt within the meaning of section 443A of the Act [Tab-10].
- 11 On 2 May 2016 at 3:17 pm, Arnold Bloch Leibler received a letter from Ashurst which expressed the First Administrators' support for the orders set out in the form of prayers 1 and 8 of the Originating Process (subject to minor typographical changes) [Tab-11].
- 12 On 2 May 2016 at 4:38 pm, Arnold Bloch Leibler sent an email to Ashurst attaching revised form of orders with the typographical amendments referred to in paragraph [11] above [Tab-12].
- 13 On 2 May at 6:28 pm, Arnold Bloch Leibler replied to Ashurst's email referred to in paragraph [10] above [Tab-13].

D Communications with ASIC

- 14 On 2 May 2016 at 3:30 pm, Arnold Bloch Leibler received an email from Mr Siblia of ASIC foreshadowing ASIC's intention to respond to Arnold Bloch Leibler prior to the hearing of this application on 3 May 2016 [Tab-14].
- 15 On 2 May 2016 at 4:16 pm, Arnold Bloch Leibler replied to ASIC by email [Tab-15].

E Communications with the Arrium Committee of Creditors

- 16 The following members of the Arrium Committee of Creditors have written to the Administrators expressing their support for the Administrators' application to extend the convening period for the Second Meeting of Creditors for up to 12 months:

- (a) John Doyle of Lucas Total Contract Solutions, by email to Bryan Webster on 2 May 2016 at 3:29 pm [Tab-16]; and
- (b) Steve Cook as Employee Representative of the Arrium Non-Unionised Employees, by email to Bryan Webster on 2 May 2016 at 3:41 pm [Tab-17].

17 I am informed by Bryan Webster and believe that the following members of the Arrium Committee of Creditors have, in conversations with the Administrators, also expressed their support for the Administrators' application to extend the convening period for the Second Meeting of Creditors for up to 12 months:

- (a) NAB;
- (b) CBA;
- (c) ANZ; and
- (d) Westpac.

SWORN by JUSTIN TAEDE VAATSTRA at)
Melbourne in the State of Victoria on 3 May)
2016)

Before me:



Print name: Raphael Yehudah Leibler

RAPHAEL YEHUDAH LEIBLER
Arnold Bloch Leibler
Level 21, 333 Collins Street, Melbourne 3000
An Australian Legal Practitioner
within the meaning of the
Legal Profession Uniform Law (Victoria)

SCHEDULE 1

- 1 A.C.N. 006 769 035 Pty Limited (ACN 006 769 035)
- 2 Akkord Pty Limited (ACN 060 486 991)
- 3 ANI Construction (W.A.) Pty. Limited (ACN 008 670 871)
- 4 Arrium Finance Pty Limited (ACN 093 954 940)
- 5 Arrium Iron Ore Holdings Pty Limited (ACN 152 752 844)
- 6 Arrium Limited (ACN 004 410 833)
- 7 Atlas Group Employees Superannuation Fund Pty. Limited. (ACN 060 568 998)
- 8 Atlas Group Staff Superannuation Fund Pty. Limited. (ACN 059 654 241)
- 9 Atlas Group Superannuation Plan Pty Limited (ACN 065 649 050)
- 10 Australian National Industries Pty Limited (ACN 000 066 071)
- 11 Australian Wire Industries Pty Limited (ACN 064 267 456)
- 12 Austube Mills Holdings Pty Limited (ACN 123 160 172)
- 13 Austube Mills Pty Limited (ACN 123 666 679)
- 14 AWI Holdings Pty Limited (ACN 004 157 475)
- 15 B.G.J. Holdings Proprietary Limited (ACN 004 859 536)
- 16 Bradken Consolidated Pty Limited (ACN 000 011 932)
- 17 Central Iron Pty Limited (ACN 143 503 397)
- 18 Cockatoo Dockyard Pty Limited (ACN 000 025 918)
- 19 Comsteel Pty. Limited (ACN 006 218 524)
- 20 Coober Pedy Resources Pty Limited (ACN 151 599 905)

- 21 Eagle & Globe Pty Limited (ACN 000 122 305)
- 22 Email Accumulation Superannuation Pty Limited (ACN 065 263 658)
- 23 Email Executive Superannuation Pty Limited (ACN 065 263 818)
- 24 Email Holdings Pty Limited (ACN 092 348 555)
- 25 Email Management Superannuation Pty Limited (ACN 065 263 710)
- 26 Email Metals Pty. Limited. (ACN 004 574 681)
- 27 Email Pty Limited (ACN 000 029 407)
- 28 Email Superannuation Pty Limited (ACN 065 263 603)
- 29 Emwest Holdings Pty. Limited. (ACN 001 992 123)
- 30 Emwest Properties Pty Limited (ACN 003 146 334)
- 31 GSF Management Pty Limited (ACN 064 116 874)
- 32 J. Murray-More (Holdings) Pty Limited (ACN 000 158 412)
- 33 John McGrath Pty Limited (ACN 000 004 937)
- 34 Kelvinator Australia Pty Limited (ACN 007 873 734)
- 35 Litesteel Products Pty Limited (ACN 109 854 677)
- 36 Litesteel Technologies Pty Limited (ACN 113 101 054)
- 37 Metals Properties Pty. Limited. (ACN 000 040 040)
- 38 Metalstores Pty Limited (ACN 000 267 112)
- 39 Metpol Pty Limited (ACN 000 927 373)
- 40 N.K.S. (Holdings) Proprietary Limited (ACN 004 321 313)
- 41 O Dee Gee Co. Pty. Limited. (ACN 004 208 191)
- 42 Onesteel Americas Holdings Pty Limited (ACN 147 067 016)

- 43 Onesteel Building Supplies Pty Limited (ACN 000 045 349)
- 44 Onesteel Coil Coaters Pty Limited (ACN 123 138 732)
- 45 OneSteel Manufacturing Pty Limited (ACN 004 651 325)
- 46 Onesteel MBS Pty Limited (ACN 096 273 979)
- 47 Onesteel Nsw Pty Limited (ACN 003 312 892)
- 48 Onesteel Queensland Pty Limited (ACN 010 558 871)
- 49 Onesteel Recycling Holdings Pty Limited (ACN 059 240 952)
- 50 Onesteel Recycling Overseas Pty Limited (ACN 105 479 356)
- 51 Onesteel Recycling Pty Limited (ACN 002 707 262)
- 52 Onesteel Reinforcing Pty Limited (ACN 004 148 289)
- 53 Onesteel Stainless Australia Pty Limited (ACN 004 610 851)
- 54 Onesteel Stainless Pty Limited (ACN 006 362 652)
- 55 Onesteel Technologies Pty Limited (ACN 096 380 219)
- 56 Onesteel Trading Pty Limited (ACN 007 519 646)
- 57 Onesteel US Investments 1 Pty Limited (ACN 131 211 606)
- 58 Onesteel US Investments 2 Pty Limited (ACN 131 211 571)
- 59 Onesteel Wire Pty Limited (ACN 000 010 873)
- 60 Overseas Corporation (Australia) Pty Limited (ACN 004 242 086)
- 61 P & T Tube Mills Pty Limited (ACN 010 469 977)
- 62 Palmer Tube Mills Pty Limited (ACN 010 469 879)
- 63 Pipeline Supplies of Australia Pty Limited (ACN 008 573 475)
- 64 Reosteel Pty Limited (ACN 000 142 094)

- 65 Roentgen Ray Pty Limited (ACN 000 028 106)
- 66 Southern Iron Pty Limited (ACN 119 611 068)
- 67 SSG Investments Pty Limited (ACN 085 490 526)
- 68 SSG No.2 Pty Limited (ACN 087 840 720)
- 69 SSG No.3 Pty Limited (ACN 087 840 515)
- 70 SSGL Share Plan Nominees Pty Limited (ACN 085 943 540)
- 71 SSX Acquisitions Pty Limited (ACN 090 574 520)
- 72 SSX Employees Superannuation Fund Pty Limited (ACN 064 431 116)
- 73 SSX Holdings Pty Limited (ACN 087 813 116)
- 74 SSX International Pty Limited (ACN 084 990 947)
- 75 SSX Pty Limited (ACN 082 181 726)
- 76 SSX Retirement Fund Pty Limited (ACN 064 431 303)
- 77 SSX Services Pty Limited (ACN 083 090 831)
- 78 SSX Staff Superannuation Fund Pty Limited (ACN 064 431 072)
- 79 Tasco Superannuation Management Pty Limited (ACN 071 901 712)
- 80 The ANI Corporation Pty Limited (ACN 000 421 358)
- 81 The Australian Steel Company (Operations) Pty Limited (ACN 069 426 955)
- 82 Tube Estates Pty. Limited. (ACN 010 449 939)
- 83 Tube Street Pty Limited (ACN 004 785 157)
- 84 Tube Technology Pty. Limited. (ACN 010 469 986)
- 85 Tubemakers of Australia Pty Limited (ACN 000 005 498)
- 86 Tubemakers Somerton Pty Limited (ACN 004 595 546)

- 87 Western Consolidated Industries Pty Limited (ACN 001 185 913)
- 88 Whyalla Ports Pty Limited (ACN 153 225 364)
- 89 X.C.E. Pty Limited (ACN 004 081 903)
- 90 XEM (Aust) Pty Limited (ACN 004 158 025)
- 91 XLA Pty Limited (ACN 004 239 392)
- 92 XLL Pty Limited (ACN 006 301 266)
- 93 XMS Holdings Pty Limited (ACN 008 742 014)
- 94 Zinctek Pty limited (ACN 010 474 790)