

FEDERAL COURT OF AUSTRALIA

Hams (Administrator), in the matter of Onesteel Manufacturing Pty Ltd (Administrators Appointed) (No 2) [2025] FCA 1651

File number(s): VID 1646 of 2025

Judgment of: NESKOVCIN J

Date of judgment: 17 December 2025

Date of publication of reasons: 19 December 2025

Catchwords: **CORPORATIONS** – application by administrators pursuant to s 447A of the *Corporations Act 2001* (Cth) for a further extension of the convening period for the second meeting of creditors under s 439A of the Corporations Act – whether to extend convening period – where further extension of six months sought – application allowed

Legislation: *Corporations Act 2001* (Cth) ss 436C, 439A, 447A

Cases cited: *Albarran, in the matter of BCJWY Aboriginal Society Limited* [2019] FCA 491
Albarran, in the matter of Chala Metals Limited [2025] FCA 984
Crawford, in the matter of North Queensland Heavy Haulage Services Pty Ltd (Administrators Appointed) [2017] FCA 635
Eagle, in the matter of Techfront Australia Pty Limited (administrators appointed) (No 2) [2020] FCA 618
Farnsworth v About Life Pty Limited (Administrator Appointed), in the matter of About Life Pty Limited (Administrator Appointed) [2019] FCA 11
Fincorp Group Holdings Pty Ltd (2007) 62 ACSR 192; [2007] NSWSC 363
Friskin, in the matter of Xpress Transport Solutions Pty Ltd (Receivers and Managers Appointed) (Administrator Appointed) [2023] FCA 448
Hams (Administrator), in the matter of Onesteel Manufacturing Pty Ltd (Administrators Appointed) (2025) 174 ACSR 61; [2025] FCA 219
Hams v Whyalla Ports Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed), in the matter of OneSteel Manufacturing Pty Limited (Administrators

Appointed) (No 2) [2025] FCA 1059
Re Diamond Press Australia Pty Ltd [2001] NSWSC 313
Re Foodora Australia Pty Ltd (Administrators Appointed)
[2018] NSWSC 1426
Re Pan Pharmaceuticals Ltd (admins apptd) (ACN 091 032
914) (McGrath and Honey as joint liquidators) (2003) 46
ACSR 77; [2003] FCA 598
Re Strawbridge (in their capacity as joint and several
voluntary administrators of each of Virgin Australia
Holdings Ltd (admins apptd) (ACN 100 686 226)) and
Others (No 2) (2020) 144 ACSR 347; [2020] FCA 717
Strawbridge, in the matter of Virgin Australia Holdings Ltd
(administrators appointed) (No 7) [2020] FCA 1182
Tucker (Administrator) v Bolten (Trustee), in the matter of
Quintis Leasing Pty Ltd (Administrators Appointed)
(No 2) [2024] FCA 46

Division: General Division

Registry: Victoria

National Practice Area: Commercial and Corporations

Sub-area: Corporations and Corporate Insolvency

Number of paragraphs: 37

Date of hearing: 17 December 2025

Solicitor for the Plaintiffs: L Zwier of Arnold Bloch Leibler

ORDERS

VID 1646 of 2025

IN THE MATTER OF ONESTEEL MANUFACTURING PTY LTD (ADMINISTRATORS APPOINTED)

BETWEEN: **SEBASTIAN DAVID HAMS, MARK FRANCIS XAVIER
MENTHA, LARA LUISA WIGGINS AND MICHAEL
ANTHONY KORDA IN THEIR CAPACITY AS JOINT AND
SEVERAL ADMINISTRATORS OF ONESTEEL
MANUFACTURING PTY LTD (ADMINISTRATORS
APPOINTED) ACN 004 651 325**
First Plaintiffs

**ONESTEEL MANUFACTURING PTY LTD
(ADMINISTRATORS APPOINTED) ACN 004 651 325**
Second Plaintiff

ORDER MADE BY: NESKOVCIN J

DATE OF ORDER: 17 DECEMBER 2025

THE COURT ORDERS THAT:

Extension of convening period

1. Pursuant to s 447A(1) of the *Corporations Act 2001* (Cth), the period within which the first plaintiffs must convene the **second meeting** of creditors of the second plaintiff under s 439A of the Act is further extended to 30 September 2026.
2. Pursuant to section 447A(1) of the Act, Pt 5.3A is to operate in relation to the second plaintiff such that the second meeting may be convened at any time before, or within, five business days after the end of the convening period as extended by order 1 above, provided that the first plaintiffs give notice of the meeting to creditors of the second plaintiff, including the persons claiming to be creditors of the second plaintiff, at least five business days before the meeting.

Other matters

3. The first plaintiffs' costs of the application be paid as costs of the administration of the second plaintiff.

4. There shall be liberty to any creditor, or other person with a sufficient interest in these orders, to apply to vary these orders on reasonable (and in any case not less than three days') notice to the first plaintiffs.

Note: Entry of orders is dealt with in Rule 39.32 of the *Federal Court Rules 2011*.

REASONS FOR JUDGMENT

NESKOVCIN J:

1 On 19 February 2025, the South Australian government appointed Michael Korda, Lara
Wiggins, Sebastian Hams and Mark Mentha of KordaMentha as joint and several
Administrators of OneSteel Manufacturing Pty Limited (Administrators Appointed) pursuant
to s 436C of the *Corporations Act 2001* (Cth).

2 Under s 439A(5) of the Corporations Act, the Administrators were required to convene the
second meeting of creditors of OneSteel by 27 March 2025.

3 On 18 March 2025, orders were made extending the convening period to 20 March 2026: *Hams*
(Administrator), in the matter of Onesteel Manufacturing Pty Ltd (Administrators Appointed)
(2025) 174 ACSR 61; [2025] FCA 219 (*OneSteel (No 1)*).

4 By originating process dated 15 December 2025, the Administrators of OneSteel applied for
orders pursuant to s 447A of the Corporations Act for a further extension of the period within
which the Administrators must convene the second meeting of creditors, to 30 September 2026
(**Application**).

5 The Administrators requested that the Application be listed for an urgent hearing due to the
time required for the Administrators to convene the second meeting and prepare reports to
creditors, in the event the further extension was not granted. Accordingly, the matter was listed
for hearing on 17 December 2025, at which time I made orders substantially in the form sought
by the Administrators. These are my reasons for doing so.

Background, including the original extension of the convening period

6 The background to the operations of OneSteel in Whyalla, South Australia, is set out in
OneSteel (No 1) at [6] – [8].

7 Relevantly for the purpose of this Application, OneSteel is the largest employer in Whyalla.
The evidence before me suggested the State and Commonwealth governments consider a
successful sale and transformation of its business to be a matter of significant public importance
for the regional economy.

8 The State and Commonwealth Governments have committed significant public resources,
including a joint funding package of \$2.4 billion, to secure the long-term future of the

steelworks in support of what was described as the governments' joint ambition for a transformation of the steelworks to a long-term commercially viable 'pit to port' iron and steel operation, underpinned by low-emissions technology and delivering lasting economic benefits to the Whyalla community.

9 On 17 March 2025, the Administrators applied to extend the convening period for the second meeting of creditors of OneSteel for 12 months, until 20 March 2026. The Administrators initially sought a 12-month extension of the convening period because, at that time, they expected to be able to stabilise the business and commence a sale or restructure process within six months and that completing a sale or restructure of OneSteel's business would take four to six months.

10 Since the first extension was granted on 18 March 2025, however, the Administrators have encountered unexpected challenges and complications.

Why the further extension of the convening period was sought

11 In support of the Application is an affidavit of Ms Wiggins, one of the Administrators of OneSteel, sworn on 15 December 2025. Ms Wiggins is an experienced insolvency practitioner, with over 16 years' experience in advising in complex insolvency and restructuring assignments.

12 According to Ms Wiggins, since their appointment, the Administrators have undertaken a process of seeking to stabilise the operations of OneSteel to prepare it for sale or restructure. The Administrators have made substantial progress and the sale and restructure process in respect of OneSteel's assets is well-advanced. However, due to the complexity of OneSteel's operations and the emergence of challenges that could not reasonably have been foreseen at the time of the first extension application, Ms Wiggins states that the sale and restructure process cannot be completed by March 2026.

13 The delays and unexpected challenges encountered by the Administrators since the first extension of the convening period were described in the following terms.

14 First, longer than expected delays have been encountered in addressing urgent remediation activities to address safety issues and stabilise OneSteel's operations.

15 Second, the administration has been delayed by unforeseen litigation concerning the title to the Whyalla Port in South Australia and physical assets located at the Whyalla Port, which

occupied substantial resources. The nature and outcome of the dispute in the litigation are set out in *Hams v Whyalla Ports Pty Ltd (Administrators Appointed) (Receivers and Managers Appointed), in the matter of OneSteel Manufacturing Pty Limited (Administrators Appointed) (No 2)* [2025] FCA 1059 (O’Callaghan J).

16 Third, the intermingling of the operations and administrative functions of entities within the corporate group called the “GFG Alliance” has hindered the Administrators’ efforts to obtain a complete set of the books and records of OneSteel. The shared technological infrastructure amongst GFG Alliance companies has also necessitated the complex exercise of separating OneSteel’s IT environment from that of the broader group. The Administrators have sought to resolve these issues through cooperation with related parties, but additional time is needed to enable the Administrators to fully resolve the issues and complete their investigations.

17 Fourth, the sale and restructure process has taken longer than initially expected. This is due, in part, to the issues identified above and to ongoing multilateral negotiations involving the State and Commonwealth Government stakeholders. The business’ complexity, its proposed transformation plans and the nature of the prospective purchasers has required more time-consuming and thorough due diligence processes than were initially anticipated.

18 Following a due diligence period and engagement with interested parties over the course of mid to late 2025, Ms Wiggins states that the Administrators have received non-binding indicative offers from “highly credible and well capitalised interested parties”. Further, multiple parties will be progressed to the next state of due diligence and sale discussions prior to Christmas 2025. Specific details in relation to the offers were not provided due to the commercially sensitive nature of the information.

19 According to their projected timeline, the Administrators expect to receive legally binding offers in the second quarter of calendar year 2026 and their aim is for a transaction to be signed on or before 30 June 2026. Unless further extended, the convening period for the second creditors’ meeting will end on 20 March 2026 and the Administrators will be required to hold the meeting within five business days of that date. However, the sale and restructure process will not be finalised before that time.

20 The Administrators have sought the second extension to give them more time to progress the sale and restructure process, and their investigations in relation to OneSteel’s affairs, so that they can prepare a report to OneSteel’s creditors which reflects the best transaction outcome

available upon completion of the sale and restructure process and which provides creditors with sufficient information so as to be able to make an informed decision in relation to the future of OneSteel.

Legal principles

21 The Court has power to make orders under s 447A(1) of the Corporations Act to extend, on a subsequent occasion, the convening period for the second meeting of creditors of a company: **Strawbridge**, in the matter of *Virgin Australia Holdings Ltd (administrators appointed) (No 7)* [2020] FCA 1182 at [12] (Middleton J).

22 The principles that apply when considering a further extension are the same as those that apply for any extension of the convening period: *Strawbridge* at [14], and the cases cited there.

23 The applicable principles are well established and were summarised in **Crawford**, in the matter of *North Queensland Heavy Haulage Services Pty Ltd (Administrators Appointed)* [2017] FCA 635 at [18] – [20] (Markovic J). See also *Friskin*, in the matter of *Xpress Transport Solutions Pty Ltd (Receivers and Managers Appointed) (Administrator Appointed)* [2023] FCA 448 at [32] – [38] (Cheeseman J) and *Tucker (Administrator) v Bolten (Trustee), in the matter of Quintis Leasing Pty Ltd (Administrators Appointed) (No 2)* [2024] FCA 46 at [54] – [59] (Banks-Smith J).

24 The power to extend the time for convening the second meeting is one that should not be exercised as of course: *Crawford* at [19] (Markovic J) and *Albarran*, in the matter of *Chala Metals Limited* [2025] FCA 984 at [1] and [4] (Owens J).

25 When considering an application to extend the convening period, the Court’s task is to reach an appropriate balance between an expectation that the administration will be relatively speedy and summary and the countervailing factor that undue speed should not be allowed to prejudice sensible and constructive actions directed to maximising a return for creditors and any return for shareholders: *Re Diamond Press Australia Pty Ltd* [2001] NSWSC 313 at [10] (Barrett J).

26 Relevant factors, particularly in the circumstances of this case, are:

- (a) whether the prospects of a better outcome for creditors through a longer period of administration may outweigh the general expectation of a prompt resolution of the administration: see **Fincorp** *Group Holdings Pty Ltd* (2007) 62 ACSR 192; [2007] NSWSC 363 at [18] (Barrett J);

- (b) the fact that while the voluntary administration continues there is an embargo or moratorium on the enforcement of remedies by secured creditors, lessors and others, a factor which may militate against the too ready grant of an extension: *Fincorp* at [4]; and
- (c) whether an extension is necessary to enable the administrators to prepare and provide the report and statements, and to arrive at the opinion required by s 439A(4), in order to inform creditors adequately so that they, in turn, will be in a position to decide whether to terminate the administration, execute a deed of company arrangement or place the company in liquidation: *Re Pan Pharmaceuticals Ltd (admins apptd) (ACN 091 032 914) (McGrath and Honey as joint liquidators)* (2003) 46 ACSR 77; [2003] FCA 598 at [41] (Lindgren J).

27 There are many occasions in which courts have granted further extensions of the convening period (that is, after an initial extension): see *Strawbridge* at [13] and the authorities cited there.

28 The categories of cases in which an extension of time has been granted were noted by Thawley J in *Farnsworth v About Life Pty Limited (Administrator Appointed), in the matter of About Life Pty Limited (Administrator Appointed)* [2019] FCA 11 at [6]. Relevantly, they include cases where:

- (a) the size and scope of the business in administration is substantial;
- (b) additional time is needed to execute a sale process;
- (c) there is a lack of access to corporate financial records; and
- (d) more generally, additional time is likely to enhance the return for unsecured creditors.

29 Another relevant factor for the Court to consider is the need for information to be provided to creditors in a way that would allow them to exercise their decision at the second meeting in as informed a manner as possible: *Re Foodora Australia Pty Ltd (Administrators Appointed)* [2018] NSWSC 1426 at [11] (Black J); *Albarran, in the matter of BCJWY Aboriginal Society Limited* [2019] FCA 491 at [12] (Farrell J); *Eagle, in the matter of Techfront Australia Pty Limited (administrators appointed) (No 2)* [2020] FCA 618 at [31(2)] (Farrell J).

30 Finally, the administrator's opinion as to the need for an extension will be given weight in an application of this kind: *Re Strawbridge (in their capacity as joint and several voluntary administrators of each of Virgin Australia Holdings Ltd (admins apptd) (ACN 100 686 226)) and Others (No 2)* (2020) 144 ACSR 347; [2020] FCA 717 at [68] (Middleton J).

Disposition

31 For the reasons that follow, I made the orders sought to further extend the convening period until 30 September 2026.

32 First, the further extension of six months sought by the Administrators has regard to the anticipated sale and restructure schedule, the potential for further slippage and the need to enter into any agreement. Further, the Administrators have provided an anticipated and realistic timetable of the transformation, restructure and sale process to come.

33 Second, the successful sale and transformation of the OneSteel business is a matter of significant public importance for the regional economy. So much is demonstrated by the \$2.4 billion support package provided by the State and Commonwealth governments. The extension will facilitate a sale and restructure process which aims to maximise the value of OneSteel's business and assets, whilst maintaining existing relationships with employees, creditors and other stakeholders.

34 Third, the extension will allow the auction and sale process to develop so that the Administrators might sensibly prepare a comparative analysis of estimated returns to creditors under different scenarios. Conversely, if that analysis were to be undertaken now, the Administrators' report will need to be prepared based on an incomplete picture of the opportunities that might be open to OneSteel.

35 Fourth, the Administrators' view is that the current sale and restructure process will maximise the chances of OneSteel, or as much of its business as possible, continuing in existence consistently with the objects of Pt 5.3A of the Corporations Act and result in a better sale price than an immediate winding up. The extension sought allows this process to unfold.

36 Finally, the Australian Securities and Investments Commission and the Committee of Inspection were informed of the Application, and the length of the extension sought, on 12 December 2025. There was no opposition to the relief sought in the Application.

Conclusion

37 For the reasons set out above, I am satisfied that allowing further time to progress the sale and restructure process is appropriate to achieve the objects of Pt 5.3A and strike the balance identified in the authorities, and I was satisfied that it was appropriate to grant the further extension of the convening period sought by the Administrators.

I certify that the preceding thirty-seven (37) numbered paragraphs are a true copy of the Reasons for Judgment of the Honourable Justice Neskovicin.

Associate:

sjhannah

Dated: 19 December 2025