

3 July 2020

CIRCULAR TO CREDITORS

Gascoyne Resources Ltd ACN 139 522 900

GNT Resources Pty Ltd ACN 159 772 077

Gascoyne Resources (WA) Pty Ltd ACN 139 823 822

Dalgaranga Operations Pty Ltd ACN 616 858 550

Egerton Exploration Pty Ltd ACN 163 614 551

Dalgaranga Exploration Pty Ltd ACN 623 055 550

Gascoyne (Ops Management) Pty Ltd ACN 619 342 979

(All Subject to DOCA) (Together “Companies” or “GCY Group”)

CONCURRENT SECOND MEETING OF CREDITORS HELD

We refer to the concurrent second meeting of creditors held on Thursday 25 June 2020 where creditors resolved for the Companies to execute the Deed of Company Arrangement (“**DOCA**”) proposed in the Administrators’ Report pursuant to section 75-225 of *Insolvency Practice Rules (Corporations) 2016* dated 18 June 2020 (“**Administrators’ Report**”).

We advise on Friday 26 June 2020, the DOCA was executed by the Administrators and the Companies. Please find enclosed *Form 509E Notice to Creditors of Execution of Deed of Company Arrangement* confirming same.

The associated Creditors Trust Deed was also executed on 26 June 2020.

AMENDMENT OF DOCA PROPOSAL

As a result of an amendment made to the DOCA proposal (as explained at the concurrent second meeting of creditors and as executed), the DOCA includes an improvement in the timing of the return to unsecured creditors with debts above \$10,000 (“**Large Creditors**”), from what was set out in the Administrators’ Report.

Following this amendment, all amounts enabling a dividend of 100 cents in the dollar to Large Creditors, via a combination of debt repayment and equity entitlement, are to be paid into the Trust Fund within 6 months of the effectuation of the DOCA.

This amendment facilitates a dividend to Large Creditors earlier than originally proposed.

The Deed Administrators continue to advance the broader recapitalisation and relisting plan as disclosed to creditors in the Administrators’ Report and during the concurrent second meeting of

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creditors. The recapitalisation will involve the GCY Group undertaking a capital raising to raise at least \$75 million and up to \$85 million, and subsequent re-listing of Gascoyne Resources Ltd on the Australian Securities Exchange.

REQUEST FOR FORMAL PROOFS OF DEBT

To enable prompt adjudication and payment of creditors' claims, in accordance with the terms of the DOCA and the Creditors Trust Deed, we now call for formal proofs of debt to be lodged with the Deed Administrators.

In accordance with the enclosed *Form 534 Notice Inviting Formal Proof of Debt or Claim*, creditors have 21 days to submit particulars of their debts on or before **Thursday, 23 July 2020** or they may otherwise be excluded from a dividend.

Please note you are not required to resubmit the enclosed *Form 535 Formal Proof of Debt or Claim* if you have previously done so. If you are unsure whether this has been previously provided, please do not hesitate to contact our office.

SUPPLIER PURCHASE ORDERS

During the deed administration, all purchase orders of the Companies will continue to require the authorisation from the same signatories as under the voluntary administration.

CLOSING

We will continue to keep creditors apprised of developments and progress of the recapitalisation and relisting plan, and the intended date of dividends to creditors.

The Deed Administrators appreciate the ongoing support of all stakeholders during the administration to date and will continue to work closely with all employees, suppliers, and secured lenders.



Michael Ryan

Joint and Several Deed Administrator

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FORM 509E

Subsection 450B(a)

Corporations Act 2001

NOTICE TO CREDITORS OF EXECUTION OF A DEED OF COMPANY ARRANGEMENT

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(All Subject to DOCA) (Together "Companies")

To the creditors of the Companies:

1. Notice is given under section 450B of the *Corporations Act 2001* that on 26 June 2020 the Companies executed a Deed of Company Arrangement ("**DOCA**") as proposed in the Administrators' Report pursuant to section 75-225 of *Insolvency Practice Rules (Corporations) 2016* dated 18 June 2020.
2. A copy of the DOCA may be inspected at the offices of FTI Consulting, Level 47, 152-158 St Georges Terrace, Perth WA 6000.

Dated 3rd day of July 2020



Michael Ryan
Joint and Several Deed Administrator

C/- FTI Consulting (Australia) Pty Limited

Level 47, Central Park

152-158 St Georges Terrace

PERTH WA 6000

FORM 534

Subregulation 5.6.48(3)

Corporations Act 2001

NOTICE INVITING FORMAL PROOF OF DEBT OR CLAIM

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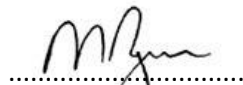
(All Subject to DOCA) (Together "Companies")

Take notice that creditors of the Companies, whose debts or claims have not already been admitted, are required on or before **Friday, 24 July 2020** to prove their debts or claims and to establish any title they may have to priority by delivering or posting to me at my address a formal proof of debt or claim in accordance with Form 535 or 536 containing their respective debts or claims.

If creditors do not they may be excluded from:

- (a) the benefit of any distribution made before their debts or claims are proved or their priority is established; and
- (b) objecting to the distribution.

Dated 3rd day of July 2020



Michael Ryan
Joint and Several Deed Administrator

C/- FTI Consulting (Australia) Pty Limited

Level 47, Central Park

152-158 St Georges Terrace

PERTH WA 6000