

CIRCULAR TO CREDITORS AND EMPLOYEES

4 September 2015

Dear Sir/Madam

ACN 052 316 579 PTY LTD (IN LIQUIDATION)
(formerly known as Pinnacle Drilling Pty Ltd)
ACN 052 316 579 (“PD”)

ACN 129 163 837 PTY LTD (IN LIQUIDATION)
(formerly known as Pinnacle Drilling Underground Pty Ltd)
ACN 129 163 837

ZIG ZAG INVESTMENTS PTY LTD (IN LIQUIDATION)
ACN 002 053 321

(collectively referred to as “**the Group**”)

I refer to the appointment of Neil Cussen and myself as Administrators of the Group on 30 April 2015 and to the report to creditors dated 14 August 2015 (“**the Report**”).

1. Second meeting of creditors

I confirm that at the second meeting of creditors for the Group on 26 August 2015, creditors resolved that each of the companies in the Group be wound up and that Neil Cussen and I are appointed as Liquidators.

As Liquidators, we will be continuing our investigations into the voidable transactions and offences identified in the Report. We will continue to advise creditors on the outcome of our investigations and the recovery actions taken.

Creditors should note that once our investigations are finalised we will submit a confidential report to the Australian Securities and Investments Commission into the reasons for the failure of the Group and any offences identified during our investigations.

2. Former employees

As mentioned above, the Group is now in liquidation. Former employees of PD are now able to make a claim under the Fair Entitlement Guarantee for their unpaid entitlements.

Employees should submit their claim on the Department of Employment's website at <https://employment.gov.au/fair-entitlements-guarantee-feg>. Once employees have submitted their claims we will attempt to assist the Department's staff with verifying and processing claims.

Further correspondence will be provided to all former employees in due course advising of final unpaid entitlements calculated as per the books and records of the Group, and the process moving forward to make a claim under the Fair Entitlement Guarantee.

Should you require any further information in relation to the above, please contact Sarah Smith of this office on (02) 9322 3793 or at sarasmith@deloitte.com.au

Yours faithfully

A handwritten signature in black ink, appearing to read 'V. Strawbridge', with a horizontal line extending to the right.

Vaughan Strawbridge
Liquidator