



McGrathNicol

ASX ANNOUNCEMENT AND MEDIA RELEASE

22 December 2016

McAleese Limited (ASX: MCS)

On 29 August 2016, Joseph Hayes, Jason Preston, Jamie Harris and Keith Crawford of McGrathNicol were appointed Voluntary Administrators ("the Administrators") of McAleese Limited and each of its wholly owned subsidiaries with the exception of Sunshine Refuellers Pty Ltd (together "the McAleese Group of Companies").

On Monday, 19 December 2016, the second meetings of creditors were held for the McAleese Group of Companies. At those meetings, creditors considered a series of related Deed of Company Arrangement ("DOCAs") proposals from the Secured Creditors against liquidation alternatives. At the meetings creditors resolved in favour of the related DOCAs.

Yesterday, the related DOCAs were entered into by the McAleese Group of Companies.

The objectives of the DOCAs are to:

- enable creditors to receive a better return;
- facilitate the viable businesses of the McAleese Group of Companies to continue as going concerns;
- enable as many employees as possible to remain employed; and
- facilitate the efficient distribution of funds to creditors.

The related DOCAs will facilitate a fund contribution of \$10 million from the secured creditors, which is expected to be received this week.

The estimated financial outcome of the related DOCAs is that all employees are expected to either be offered continued employment on equal terms or alternatively, for those employees not being offered continued employment, their employee entitlements will be paid in full. Ordinary unsecured trade creditors are estimated to receive a small return.

There is no expectation that McAleese Limited will resume trading on the ASX or of a return being made to shareholders.

The continuing businesses operated by the McAleese Group of Companies will be owned by entities associated with the secured creditors and are expected to continue trading on an uninterrupted basis under the control of management. Importantly, the related DOCAs provide an opportunity for the McAleese Group of Companies to continue to service their customers and for suppliers to have the opportunity to continue trading with the McAleese Group of Companies.

Contact details and further information

Information will continue to be uploaded to the McGrathNicol website (www.mcgrathnicol.com) and the McAleese website (www.mcaleese.com.au).



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