

ASX Release 20 January 2021

Update on Federal Court Proceedings – Injunction Application Granted

The Agency Group Australia Ltd (ASX:AU1) ("The Agency" or "the Company") makes this announcement to update the market in relation to Federal Court proceedings commenced in relation to the purported appointment of administrators to The Agency by MCL 105 Pty Ltd, a company controlled by former director Mitchell Atkins.

The purported appointment was based on an alleged and disputed "debt" of approximately \$385,000 which relates to alleged fees on a mandate entered into for the purpose of securing debt funding under which MCL 105 Pty Ltd was unable to deliver any funding at all.

This morning the Federal Court ordered that the purported appointments would have no effect (other than in relation to various technical matters) pending the determination of the proceedings or other order and control of The Agency remains in the hands of the directors.

The Court also ordered that the administration or purported administration will end at 4pm on 1 February 2021 and a hearing has been scheduled for 9.15am (AWST) on 1 February for the purpose of allowing an opportunity for any creditor or other sufficiently interested party to apply to discharge or vary the orders ending the purported administration. A full copy of the Court's orders is attached to this announcement - and via the Federal Court website (www.fedcourt.gov.au) with proceeding number WAD 7 of 2021.

The Company's position is that the alleged appointment by MCL 105 Pty Ltd was undertaken for the purpose of destabilising the Agency and compelling the Company to pay a disputed fee. The Agency is in a strong financial position and the recent AGM results demonstrate the overwhelming support for the Board's strategy to continue to drive shareholder value.

The Company looks forward to shortly releasing its Half Yearly unaudited accounts, which will show record numbers across key financial metrics.

Securities of The Agency Group will remain suspended subject to the Company satisfying Listing Rule 12.2 and any other requirements of the ASX.

This announcement is released with the approval of the board of The Agency Group Australia Ltd.

ENDS

If you require further information, please contact:

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Federal Court of Australia

District Registry: Western Australia

Division: General No: WAD7/2021

PAUL CLEMENT NIARDONE and others named in the schedule

Applicants

DUNCAN EDWARD CLUBB and others named in the schedule Respondents

ORDER

JUDGE: JUSTICE COLVIN

DATE OF ORDER: 20 January 2021

WHERE MADE: Perth

THE COURT ORDERS THAT:

1. To the extent necessary, the applicants have leave pursuant to s 440D of the *Corporations Act 2001* (Cth) (**the Act**) to commence these proceedings against the third respondent.

2. Until further order and upon the usual undertaking as to damages by the applicants, without any admissions, the first respondents by themselves, their servants and agents, be restrained from:

- (a) acting or purporting to act as voluntary administrators of the third respondent; or
- (b) taking any steps in their role or purported role as voluntary administrators of the third respondent,

save that nothing in this order prevents the first respondents from notifying creditors of the third respondent, the Australian Securities and Investments Commission, and the Australian Securities Exchange of the making of these orders.

3. Pursuant to s 447A of the Act, Part 5.3A of the Act is to operate in relation to the third respondent in such a way as to treat the appointment or purported appointment of the first respondents as voluntary administrators of the third respondent as having no

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effect pending the determination of these proceedings or earlier further order of this Honourable Court, except that each of:

- (a) Subdivision B of Division 9 of Part 5.3A of the Act;
- (b) Division 13 of Part 5.3A of the Act;
- (c) Sections 451E, 451F, 451G and 451GA of the Act; and
- (d) Division 60 of Schedule 2 of the Act,

continue, without any admission, to operate in accordance with their terms in relation to the third respondent until further order.

- 4. Insofar as may be necessary to do so, and subject to order 6, pursuant to s 1322(4)(d) of the Act, extend the period for the convening pursuant to s 436E of the Act of the first meeting of creditors of the third respondent to a date within eight business days after the determination of these proceedings.
- 5. The third respondent pay into Court the sum of \$400,000 by 22 January 2021.
- 6. Subject to the third respondent complying with order 5 the administration or purported administration of the third respondent end at 4.00 pm AWST on 1 February 2021.
- 7. Leave be given to any creditor of the company or any other party with sufficient interest to apply to vary or discharge order 6 and notice of any such application be given to the applicants and the application be heard at 9.15 am on 1 February 2021.
- 8. The matter otherwise be adjourned to a case management hearing on 9.15 am on 1 February 2021.
- 9. As soon as possible, the applicants do provide notice of the hearing on 1 February 2021 and its purpose on the ASX platform.
- 10. Costs reserved.

Date that entry is stamped: 20 January 2021

Sia Lagos
Registrar



Schedule

No: WAD7/2021

Federal Court of Australia

District Registry: Western Australia

Division: General

Second Applicant ADAM STUART DAVEY

Third Applicant ANDREW PAUL JENSEN

Fourth Applicant MATTHEW JOSEPH LAHOOD

Respondent ANDREW THOMAS SALLWAY

Second Respondent MCL 105 PTY LTD (ACN 638 967 218)

Third Respondent THE AGENCY GROUP AUSTRALIA LTD (ACN 118 913 232)