

Mesa Minerals Limited (Subject to Deed of Company Arrangement) (‘the Company’) ACN 009 113 160

ASX Code: MAS

22 May 2017

We refer to our previous announcements in this matter.

Outcome of the third meeting of creditors of the Company

We advise that in accordance with the terms of the Deed of Company Arrangement executed on 3 November 2016 (‘DOCA’), the Deed Administrators issued a report to creditors on 3 May 2017 and convened a meeting of creditors to consider whether to vary the DOCA or terminate the DOCA and have the Company wound up in liquidation.

The meeting of creditors was held on 11 May 2017 and at that meeting creditors resolved to vary the DOCA to extend the sunset date to the DOCA by three months to 3 August 2017. A varied deed of company arrangement to effect this resolution (‘Varied DOCA’) was executed on 18 May 2017. The Varied DOCA has been lodged with the Australian Securities and Investments Commission as required.

Purpose of the Varied DOCA

The purpose of the Varied DOCA is to provide the Deed Administrators additional time to:

- pursue the offers that have been received for the sale of assets and/or a recapitalisation of the Company; and
- complete their investigations into the matters identified in order to finalise their view as to whether a subsequent DOCA or liquidation maximises the outcome for all stakeholders

The short extension provided by the Varied DOCA does not exclude the possibility of winding up the Company in the future if it is determined that it is in the interest of creditors while also preserving the option of a recapitalisation which may maximise the outcome for all stakeholders and see the Company continue in existence.

The Deed Administrators are required to report back to creditors prior to the expiry of the sunset date and convene a further meeting of creditors at which creditors will make a decision on the future of the Company.

Legal proceedings

In addition to the above, we confirm that on 16 November 2016, Mighty River International Limited (‘Mighty River’) filed an action against the Company and the Deed Administrators in the Supreme Court of Western Australia seeking an order to set aside the DOCA, have the Company wound up in liquidation and the Deed Administrators removed and replaced with alternate liquidators. In handing down his decision in the matter on 16 March 2017, the Master found that there was no apprehension of bias on the part of the Deed Administrators and that the DOCA was not void.

We note that Mighty River has since filed an application to appeal the decision in relation to the validity of the DOCA in the Court of Appeal. It did not appeal the decision regarding any previously alleged apprehension of bias on the part of the Deed Administrators. A decision on the appeal has not yet been handed down.

We also note that on 10 May 2017 Mighty River filed a further action against the Deed Administrators and the Company in the Supreme Court of Western Australia seeking orders that the DOCA be terminated and the Company wound up in liquidation on the basis that it considered the report to creditors referred to above did not comply with the DOCA and the meeting of creditors was invalid.

An update on the above will be provided by way of announcements in due course and we continue to request shareholders refrain from contacting the Deed Administrators’ office and refer to the ASX announcements in the first instance.

MAS will continue to be suspended from trading throughout the administration process.

BRYAN HUGHES
Joint and Several Deed Administrator