

ASX Announcement

2 December 2014

UPDATE ON SETTLEMENT OF RIZHAO PROCEEDINGS, PLV 44 AND SILVER FIR

The Receivers and Managers provide the following update on the Company:

SETTLEMENT OF PROCEEDINGS WITH RIZHAO

On 28 November 2014, Rizhao Port Group Logistics Co, Limited (**Rizhao**) settled its proceedings against the Company, General Nice Recursos Comercial Offshore De Macau Limitada (**GNR Macau**) and the Receivers by way of consent which included the following key terms:

- FTI Consulting were retired as Receivers and Managers of the Company and all claims in relation to the invalid appointment of Receivers by GNR Macau were dismissed;
- an agreement was reached with Rizhao in relation to a revised repayment regime in satisfaction of all debts owed by the Company to Rizhao, General Nice Resources (Hong Kong) Limited (**GNR Hong Kong**) will provide a company guarantee in relation to these debts; and
- the obligations of the Company and Rizhao under existing iron ore sales contracts between those parties are at an end.

SHIPMENT PLV 44

- The Receivers and Managers have entered into an agreement with Watpac Civil & Mining Pty Ltd (ACN 129 804 968) in relation to the loading of shipment PLV 44 (**PLV 44**) for delivery to the General Nice Resources Group; and
- GNR Hong Kong has agreed to pre-pay for PLV 44 in order for operations on the Cockatoo Island Joint Venture to recommence.

SILVER FIR – SHIPMENT PLV 42

The Company is continuing to pursue Silver Fir to recover the unpaid purchase price and consequential damages from Silver Fir, arising out of the failure of Silver Fir to pay the Company the purchase price for shipment PLV 42. The Company has been advised that the iron ore shipment has been delivered to a third party.

If you have any queries about this announcement please contact Jane Ayers of KordaMentha on (08) 9220 9309.

Yours faithfully

John Bumbak, Receiver and Manager
Pluton Resources Limited (Receivers and Managers appointed)

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