



HopgoodGanim

27 August 2014

Australian Securities Exchange  
Company Announcement Platform

**BRISBANE**

Level 8, Waterfront Place  
1 Eagle Street  
Brisbane Qld 4000 Australia

**By facsimile: 1300 135 638**

PO Box 7822, Waterfront Place  
Brisbane Qld 4001 Australia

Our Ref: 1486646 – Katherine Hammond

ABN: 54 105 489 661

---

This electronic transmission is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and/or exempt from disclosure under applicable law. If you are not the intended recipient, any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone, return the original electronic transmission to us at the address below by post and delete or destroy any electronic or other copies. Thank you.

---

Dear Sir/Madam

**MetroCoal Limited – off-market takeover bid for Cape Alumina Limited  
– Supplementary Bidder’s Statement**

We are the solicitors for MetroCoal Limited (**MetroCoal**).

In accordance with section 647(3) of the *Corporations Act 2001* (Cth), we **attach** a copy of MetroCoal’s supplementary bidder’s statement dated 27 August 2014 (**Supplementary Bidder’s Statement**) to its bidder’s statement dated 19 August 2014 (**Bidder’s Statement**).

A copy of the Supplementary Bidder’s Statement will today be lodged with the Australian Securities and Investments Commission and served on Cape Alumina Limited, and will be sent with the Bidder’s Statement to Cape Alumina Limited shareholders on 2 September 2014.

Yours faithfully

**HopgoodGanim**

**Contact**    **Katherine Hammond**  
**Associate**  
T 07 3024 0343  
F 07 3024 0043  
E k.hammond@hopgoodganim.com.au

**Partner responsible: Michael Hansel**

**BRISBANE**

T +61 7 3024 0000  
F +61 7 3024 0300

**PERTH**

T +61 8 9211 8111  
F +61 8 9226 1696

[www.hopgoodganim.com.au](http://www.hopgoodganim.com.au)



## Supplementary Bidder's Statement

by MetroCoal Limited ACN 117 763 443  
in relation to its Off-Market Takeover Offers for Cape Alumina Limited  
ACN 107 817 694

### 1. Introduction

---

This document is a Supplementary Bidder's Statement under section 643 of the Corporations Act 2001 (Cth) dated 27 August 2014 (**Supplementary Bidder's Statement**). It is the first Supplementary Bidder's Statement issued by MetroCoal Limited ACN 117 763 443 (**MetroCoal** or **Bidder**), in relation to its off-market takeover offers (**Offer**) for all of the fully paid ordinary shares in Cape Alumina Limited ACN 107 817 694 (**Cape** or **Target**).

This document supplements, and should be read together with, the Bidder's Statement lodged with the Australian Securities and Investments Commission (**ASIC**) on 19 August 2014 (**Bidder's Statement**).

This is an important document and requires your immediate attention. If you are in any doubt as to how to deal with this document you should consult your financial or legal adviser as soon as possible.

Capitalised terms which are not defined in this Supplementary Bidder's Statement have the meaning given to those terms in the Bidder's Statement and the definitions and interpretation set out in Section 14 of the Bidder's Statement also applies to this document, unless the context otherwise requires.

### 2. MetroCoal loan to Cape

---

On 27 August 2014 MetroCoal and Cape entered into an agreement for a loan of funds from MetroCoal to Cape (**Loan Agreement**). The purpose of this Supplementary Bidder's Statement is to provide disclosure to Cape shareholders regarding the Loan Agreement.

#### 2.1 Material terms of the Loan Agreement

Under the Loan Agreement, MetroCoal has agreed to loan Cape funds on the following terms:

Term	Details
1. Loan Amount	\$250,000.
2. Approved Purpose (for use of Loan Amount)	The development of Cape's Bauxite Hills project.
3. Interest	10% per annum, calculated daily and payable on repayment of the Loan Amount.
4. Repayment	The Loan Amount must be repaid by the earlier of: <ul style="list-style-type: none"> <li>• 12 months after the close of the Offer; or</li> <li>• 21 days after Cape has raised \$1 million (or more) of capital through the issue of marketable securities by Cape; or</li> <li>• Immediately in certain of the prescribed circumstances</li> </ul>

- 2 -

<b>Term</b>	<b>Details</b>
	where the Company enters into an agreement for further indebtedness with MetroCoal's consent.
5. Events of default	Any monies owing will be immediately due and payable if an event of default occurs, where such events are standard for an agreement of this kind.
6. Effect of Loan on Defeating Conditions of Offer	The parties have agreed that if the execution or operation of the Loan Agreement constitutes an occurrence or non-fulfilment of any Defeating Conditions by Cape, MetroCoal waives its rights with regards to the benefit of the relevant Defeating Condition only to the extent affected by the Loan Agreement.
7. No other indebtedness or encumbrance	Cape has agreed not to incur, without MetroCoal's consent (where MetroCoal has agreed that it will provide consent in prescribed circumstances), any other indebtedness or create or allow any encumbrance over any property owned by it.
8. Security	The Loan Amount is unsecured.

### **3. MetroCoal company secretary**

---

A further purpose of this Supplementary Bidder's Statement is to correct an error in the Bidder's Statement regarding the identity of Company Secretary of MetroCoal.

Section 5.3 (Directors of MetroCoal) of the Bidder's Statement states that "the Company Secretary is Mr Scott Waddell". However, Mr John Haley (an alternate Director) is also a company secretary of MetroCoal.

Accordingly, the Bidder's Statement is corrected by deleting the existing text and inserting the new text as set out in the table below:

<b>Section</b>	<b>Existing text</b>	<b>New text</b>
5.3	The Company Secretary is Mr Scott Waddell.	Mr Scott Waddell and Mr John Haley are the co-Company Secretaries.
5.3	Mr John Haley - Alternate Director	Mr John Haley - Alternate Director and co-Company Secretary
5.3	Mr Scott Waddell – Company Secretary / CFO	Mr Scott Waddell – co-Company Secretary / CFO

### **4. Lodgement with ASIC**

---

A copy of this document was lodged with ASIC on 27 August 2014. This document will prevail to the extent of any inconsistency with the Bidder's Statement. Neither ASIC nor any of its officers takes any responsibility for the contents of this document.

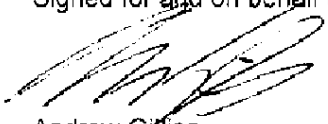
### **5. Authorisation**

---

This document has been approved by a unanimous resolution passed by the directors of the Bidder.

Dated 27 August 2014

Signed for and on behalf of MetroCoal Limited ACN 117 763 443



Andrew Giffies  
Director