

Interested Parties/Creditors:**FTI Consulting (Australia) Pty Ltd**

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ASX ANNOUNCEMENT MEDIA RELEASE*Outcome of Creditors' Meetings and Extension of DOCAs*

Perth, 1 November 2013 – At the meetings of creditors held on 31 October 2013, the creditors of each of Kagara Limited (subject to deed of company arrangement)* (**Kagara**) (**ASX: KZL**) and its wholly owned subsidiaries Mungana Pty Ltd (**Mungana**) and Kagara Copper Pty Ltd (**Kagara Copper**) (both subject to deed of company arrangement)* (together the **Companies**) approved that the respective deeds of company arrangement (**DOCAs**) be varied to extend the applicable DOCA period to 16 December 2013.

The extension of the DOCAs will enable:

- the current status quo in relation to each of Kagara, Kagara Copper and Mungana to be preserved, therefore minimising the potential prejudice to the current negotiations with potential buyers in relation to the sale of the Companies' Northern Chillagoe Project (**Northern Region**) and Thalanga and Liontown/Waterloo Projects (**Southern Region**) assets; and
- any sale of the Companies' Northern Region and Southern Region assets to proceed either by way of an equity sale or an asset sale, pending the outcome of the due diligence investigations of potential buyers and the Deed Administrators' negotiations with such potential buyers.

The Deed Administrators will update creditors on the status of the ongoing sale process, and any other restructuring (or other) proposals received, prior to 16 December 2013.

* Michael Ryan, Mark Englebert, Stefan Dopking and Quentin Olde, all of FTI Consulting (Australia) Pty Ltd, were appointed joint and several voluntary administrators (**Administrators**) of each of Kagara Limited, Mungana Pty Ltd and Kagara Copper Pty Ltd on 29 April 2012. On 27 May 2013, each of Kagara Limited, Mungana Pty Ltd and Kagara Copper Pty Ltd entered into deeds of company arrangement with their respective creditors and the Administrators were then appointed deed administrators (**Deed Administrators**).

- Ends

About FTI Consulting

FTI Consulting, Inc. is a global business advisory firm dedicated to helping organisations protect and enhance enterprise value in an increasingly complex legal, regulatory and economic environment. With over 3,900 employees located in 24 countries, FTI Consulting professionals work closely with clients to anticipate, illuminate and overcome complex business challenges in areas such as investigations, litigation, mergers and acquisitions, regulatory issues, reputation management, strategic communications and restructuring. The Company generated \$1.58 billion in revenues during fiscal year 2012. More information can be found at www.fticonsulting.com.