

BOUNTY MINING GROUP (ADMINISTRATORS APPOINTED)

FIRST MEETING OF CREDITORS

BRI Ferrier

Business Reconstruction & Insolvency

BOUNTY MINING LTD

InCoal
www.bounty.com.au

20 August 2009



Meeting Agenda

- Formalities
- Concurrent meetings
- To discuss the Administrators' Reports dated 12 August 2009
- To consider nominations for the replacement of the Administrators
- To consider forming a Committee of Creditors

Formalities

- Introductions
- Chairperson – Administrator acts as Chairman – Regulation 5.6.17
- Corporate Regulations:
 - Meeting convened pursuant to 436E by Notice dated 11 August 2009, as advertised in the Australian 12 August 2009;
 - Declaration of Convenience;
 - Declaration of Independence / Indemnities & Relevant Relationships
 - Resolutions – all motions resolved on voices, unless a poll is demanded – Regulation 5.6.19, 5.6.20
 - Voting: Current proofs of debt are admitted for voting purposes only.

Formalities

- Quorum:-
 - A quorum consist of :
 - (a) If the number of persons entitled vote exceeds 2, at least 2 of those persons; or
 - (b) If only one person is, or 2 persons are, entitled to vote that person or those persons.
 - If no quorum:
 - The meeting of Creditors for those companies is to be re-convened in a week's time, if no quorum at the re-convened meeting, the meeting lapses and the Administration(s) continues.
 - Any entities without a quorum will be reflected in the minutes

Concurrent Meetings

Provided that there are no objections from any of the Creditors of Bounty Mining Limited, Its subsidiaries and associated entities the following resolution is proposed:

Concurrent Meetings

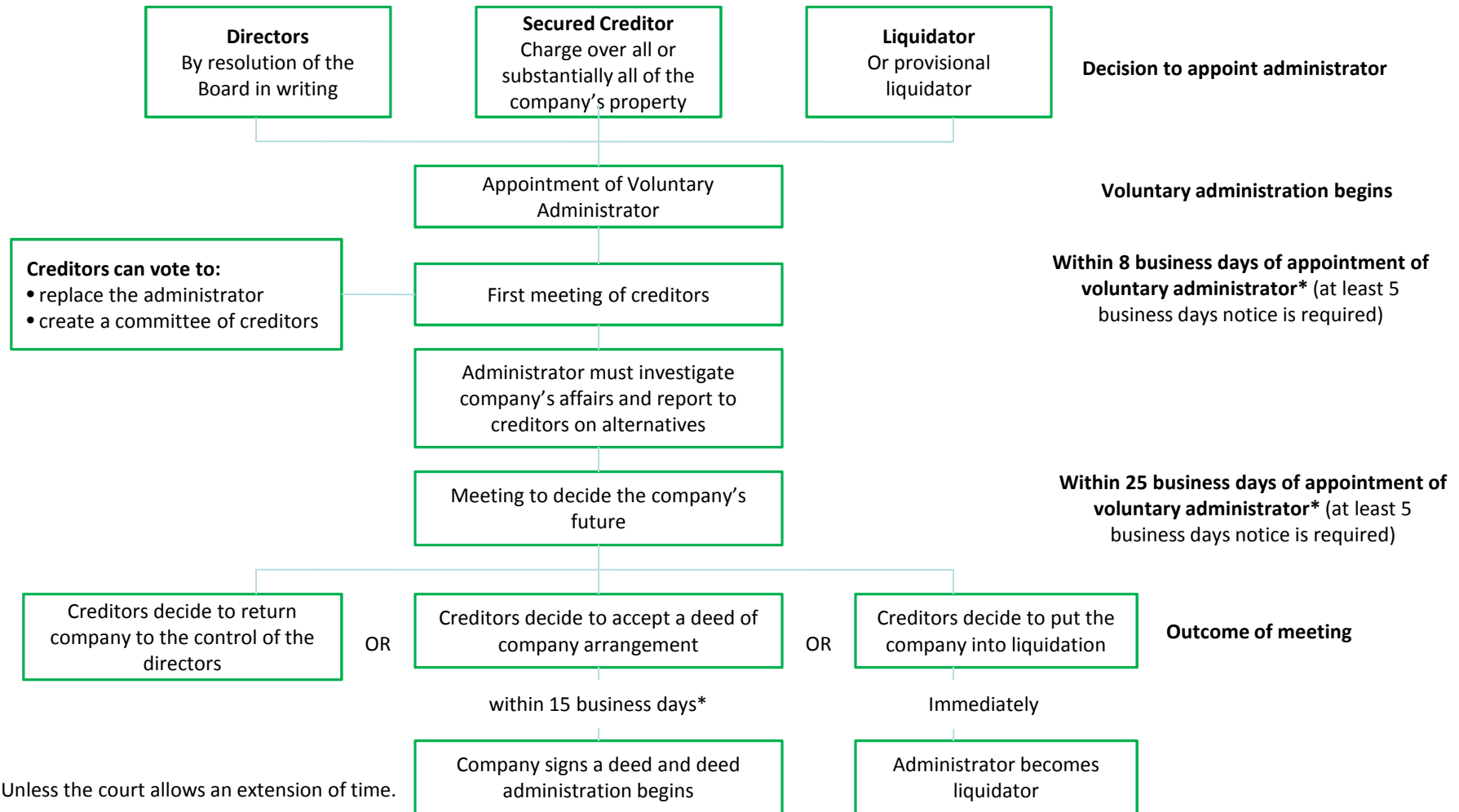
Resolution:

“ That the meetings of the following Companies be held concurrently

- **Bounty Mining Limited, ACN 107 411 067 (“BML”)**
- **Bounty Equipment Leasing Pty Ltd, ACN 103 192 829 (“BEL”)**
- **Bounty Personal Services Pty Ltd, ACN 111 762 924 (“BPS”)**
- **Bounty Materials Handling, ACN 104 604 131 (“BMH”)**
- **NRE Mining Pty Ltd, ACN 111 886 054 (“NRE”)**
- **Incoal Pty Ltd, ACN 103 192 838 (“Incoal”)**”

The previous formalities apply to all the above Companies

Voluntary Administration: A Guide for Creditors



*Unless the court allows an extension of time.

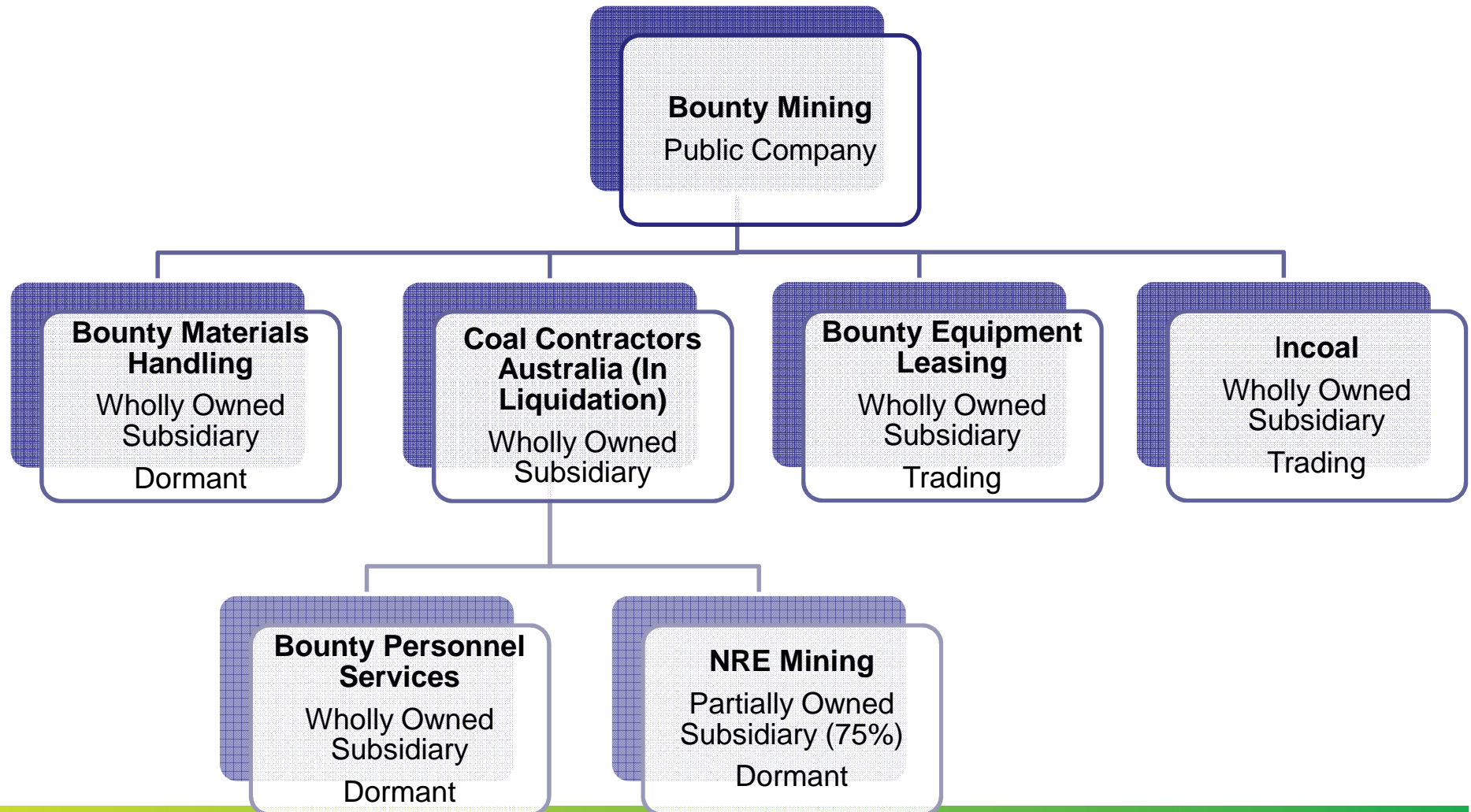
Role of Voluntary Administrators

- The Joint and Several Administrators: Martin Green & Peter Krejci
 - Take control of the Companies assets
 - Investigate and Report to Creditors on Companies affairs
- Second Meeting of Creditors decides Companies future. Options available will be:
 - Place the Companies into Liquidation
 - The Administrations end, or
 - Companies enter into a Deed of Company Arrangement

Group Structure

- Bounty Mining Group consists of 7 entities.
- 4 entities wholly owned subsidiaries of BML.
- 2 entities are associated entities (wholly owned subsidiaries of Coal Contractors Australia (CCA) a BML subsidiary.
- On 10 August 2009, Martin Green and Peter Krejci were appointed as Joint and Several Voluntary Administrators.

Group Structure



Administration Update



- **The Shares of BML were voluntarily suspended from trading on the ASX on 10 August 2009. On that same day Martin Green and Peter Krejci were appointed as Voluntary Administrators.**
- **BML, Incoal and BEL, being the groups active entities, have continued to trade the groups major contract, at Chain Valley, NSW, with Lake Coal Pty Ltd, a subsidiary of Peabody**
- **The Business has been advertised for sale as a going concern**

Group Draft Management Accounts as at 10 August 2009

ASSETS	Book Value	ERV
Cash	\$487,951	\$421,320
Debtors	\$20,394,828	Not Disclosed
Stock	\$902,486	Not Disclosed
Work in Progress	\$4,933,483	Not Disclosed
Plant & Equipment	\$8,481,184	Not Disclosed
Other Assets	\$2,614,147	Not Disclosed
Subtotal	\$37,814,079	Not Disclosed
Assets Subject to Specific Charge	\$105,960	Not Disclosed
Less: Amounts Owing	(\$77,127)	Not Disclosed
Sub total	\$28,833	Not Disclosed
TOTAL ASSETS	\$37,842,912	Not Disclosed

Group Draft Management Accounts as at 10 August 2009

CREDITOR CLAIMS	Book Value	ERV
Secured Creditor	\$1,038,534	\$1,038,534
Employee Claims	\$762,583	\$762,583
Partly Secured Creditors	\$61,835	\$61,835
Unsecured – Trade Creditors	\$31,666,198	\$31,666,198
Sub-Total	\$33,529,150	\$32,490,616
SURPLUS BEFORE CONTINGENT CREDITORS	\$4,313,762	\$4,313,762
Contingent Creditors	\$257,693	Unknown
SURPLUS SUBJECT TO ADMINISTRATORS COSTS	\$4,056,069	Unknown

Group Draft Management Accounts as at 10 August 2009

Notes:-

- Net Assets after group consolidation adjustment entries reduced to \$2,124,310.
- Group reflects a surplus position based on the use of book values from the groups financials.
- Estimated realisable values have not been provided due to the sensitivity of the information on the potential sale of business.

Statement by Director

- The Chairperson invites the Director to make a statement about the Company

Dividend

- As previously advised, the Administrators are not in a position to estimate a likely return to creditors
- An updated view will be provided with the Second Report to Creditors which will be available in four to five weeks

Employees

- Employees fall into two categories
 1. Continuing employees – All entitlements accrued from the 10 August 2009 will be paid by the Administrators in the ordinary course of business
 2. Terminated Employees – Any entitlements accrued from 10 August 2009 to the date of termination will be paid by the Administrators. All outstanding entitlements as at 10 August 2009 are placed on hold until such time that the future of the Companies can be determined
- The Administrators are not yet in a position to estimate the rate or timing of a dividend Employees

Discussions and Creditor Questions

Resolutions

Administrator

- The Chairperson notes that to date he has not received any consents to act
- The Chairperson opens the floor to nominations, in the absence of any other nominations
- The meeting resolves

“ That the appointment of Martin Green and Peter Krejci as Joint and Several Administrators be ratified”

Committee of Creditors

- Role of the Committee of Creditors
- The Chairperson called for nominations for a Committee of Creditors
- The meeting to resolve:

“That a Committee of Creditors be appointed comprising those Creditors named by the Chairman of the Meeting”

Meeting Closed