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23 August 2024

To Creditors as addressed

Dear Sir/Madam

**Nuheara Limited ACN 057 140 922
And its subsidiaries set out in Annexure A
(All Administrators Appointed) (Collectively referred to as 'the Companies')**

I confirm that Clint Joseph, Matthew Woods, and I, Martin Jones, of KPMG, were appointed as Joint and Several Voluntary Administrators (Administrators) of the Companies on Wednesday, 7 August 2024 pursuant to section 436A of the *Corporations Act 2001* (Cth) (**the Act**).

Outcome of the concurrent First Meeting of Creditors

The First Meeting of Creditors of the Companies was held on 19 August 2024 at which the Administrators appointment was confirmed.

Creditors resolved at the First Meeting of Creditors not to appoint a Committee of Inspection.

Extension of the Convening Period for the Second Creditors Meeting

At the concurrent First Meeting of Creditors of the Companies held on 19 August 2024, I advised creditors in attendance that the Administrators intended to make an application to the Supreme Court of Western Australia seeking an extension of the period of the administration of each of the Companies due to the complexity of the matter and to allow sufficient time for the Administrators to invite offers for the restructure of the Companies via a Deed of Company Arrangement or alternatively attempt to sell the Companies' business as a going concern.

I also advised that an extension would allow the Administrators adequate time to prepare a comprehensive and detailed report to creditors and analyse the options available to creditors in order to provide a recommendation on the future of the Companies.

If the application is granted, the effect will be that the administration of the Companies will last longer than usual. The reason for this extension being sought is that the Administrators are of the view that it will maximise the chances to restructure the affairs of the Companies, or failing that to sell the Companies' business and/or assets, which would be very difficult if the extension is not granted. We consider that this is in the best interests of creditors.

Please find **enclosed** a copy of the draft Originating Process which will be finalised and filed with the Supreme Court of Western Australia on Monday, 26 August 2024. The primary orders sought are the following:

- a. pursuant to section 439A(6) of the Act, an order that the convening period for the meetings of creditors of each of the individual Companies be extended until midnight on 11 December 2024; and
- b. pursuant to section 447A(1) of the Act, an order that the meetings of creditors of each of the individual Companies required by section 439A of the Act may be held at any time during the period composed of the convening period and the period of five business days thereafter, notwithstanding the provisions of section 439A(2) of the Act.

Your ability to be heard

You are not required to take any action in relation to this update. However, if you either support, do not object to, or alternatively oppose the Administrators' application set out above, please inform us via email at nuheara@kpmg.com.au, as soon as possible and these responses will be brought to the Court's attention.

Once the application is lodged with the court and hearing date has been confirmed, we will write to creditors and provide those details. Creditors may be entitled to appear at the hearing to put forward their views to the Court. If you intend to do so (in which case you should seek your own legal advice), please let us know as soon as possible.

If you have any questions, please contact either Bohan Teakle or Kieran Chu of this office at nuheara@kpmg.com.au

Yours faithfully



Martin Jones
Administrator

Encl.

Annexure A

Entity	ACN
Nuheara IP Pty Ltd (Administrators Appointed)	605 704 096
Terrace Gold Pty Ltd (Administrators Appointed)	072 608 952