



Frequently Asked Questions

Ten Sixty Four Limited (X64 or the Company)
ACN 099 377 849
(Administrators Appointed)

This document is dated 28 July 2023 and subject to regular update at
<https://insolvency.pwc.com.au/singleEntityCases/ten-sixty-four-limited-administrators-appointed/casePage>.

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A. General Information / background to the Administration

A.1 Who are the administrators?	Martin Ford & Simon Theobald were jointly appointed as Voluntary Administrators of X64 on 2 July 2023. You can find out more at www.pwc.com .
A.2 Who is X64?	<p>X64 is an ASX-listed, Australian based gold producer, focused on growth in the Asia Pacific Region.</p> <p>X64 was listed on the ASX in December 2003 with the intention of exploring gold. The main area of interest was the Philippines and some interest in Western Australia.</p> <p>The Company partnered with Philsaga Mining Corporation, a privately owned Filipino corporation that operated the small-scale Co O mine and processing plant.</p> <p>In late 2004, X64 and Philsaga entered into a Heads of Agreement to merge. The merger was completed in 2006 and the Company commenced redeveloping the Co-O Mine.</p> <p>X64 has continued to explore in the region and began looking at the broader Asia Pacific Region for potential gold projects.</p>

<p>A.3 What has happened to X64? / Why did the administration come about?</p>	<p>In mid-June 2023, the Company's Board of Directors resigned, and a new Board was established on 19 June 2023.</p> <p>The newly appointed Board commissioned a detailed financial analysis of the X64 Group's business and identified that prior to its appointment, circumstances arose involving a dispute concerning the alleged transfer of ownership of a 60% interest in X64's subsidiary Philsaga Mining Corporation ("PMC"). Whilst this dispute continued, X64 has no guarantee of continued income from PMC to support its operations.</p> <p>In these circumstances, the Board determined that it was necessary to appoint Voluntary Administrators having regard to the interests of the Company's stakeholders and the future prospects of the business. Accordingly, Messrs Ford and Theobald were appointed Joint and Several Administrators on 2 July 2023.</p> <p>The Administrators are undertaking a review and assessment of X64's operations with an initial focus on gaining a better understanding of the dispute in the Philippines and making attempts to reinstate a cooperative working arrangement between the parties.</p>
<p>A.4 Which companies have been placed into administration?</p>	<p>Martin Ford and Simon Theobald have been appointed as Joint and Several Administrators over Ten Sixty Four Limited (ACN: 099 377 849) only.</p> <p>No other companies within the X64 Group have been placed into administration and they continue to operate as normal.</p>
<p>A.5 Is the Company continuing to trade?</p>	<p>Whilst the Administrators are conducting their assessment of the Company's operations, the Company's business will continue to operate under the control of the Administrators.</p> <p>Any goods and services requested on behalf of the Company during this time MUST be authorised by the Administrators and will not be paid for unless authorised.</p>
<p>A.6 What is a voluntary administration?</p>	<p>Voluntary administration is a process initiated by the directors of a company when they believe that a company is, or is likely to become, insolvent. This means that the company is unable to pay its debts or is likely to become unable to pay its debts as and when they fall due. The role of the Voluntary Administrators is to investigate the company's affairs, to report to creditors and to recommend to creditors whether the company should enter into a deed of company arrangement, go into liquidation or be returned to the directors.</p>

	<p>For more information regarding administrations, please visit https://asic.gov.au/regulatory-resources/insolvency/insolvency-for-creditors/voluntary-administration-a-guide-for-creditors/?.</p>
A.7 How long will the voluntary administration process take?	<p>Generally, an administration will take roughly five weeks to complete. However, it is not uncommon for this period to be extended by Court Order following an application made by the Administrators or via an adjournment at the second meeting of creditors.</p> <p>This allows further time for the Administrators to investigate the Company's affairs and provide creditors with the relevant information for them to make an informed decision on the future of the Company.</p> <p>The Administrators considered it necessary to make such an application to extend the convening period. Please refer to Section C of this document for further details on the extension to the convening period.</p>
A.8 What is the implication of the administration?	<p>We are in control of the business and assets of X64 and are undertaking an assessment of the Company's financial position. Proceedings against X64 or its property cannot be commenced or continued so far as they relate to X64 during the administration period without leave of the Court or our consent.</p> <p>For more general information regarding administrations, please visit https://asic.gov.au/regulatory-resources/insolvency/insolvency-for-creditors/voluntary-administration-a-guide-for-creditors/?</p>
A.9 What happens at the end of the voluntary administration process?	<p>At the second meeting of creditors, the creditors of the Company will vote on the future of the Company. The options available to creditors are:</p> <ul style="list-style-type: none"> • that the voluntary administration ends and the Company is returned to the Company's directors • the Company executes a Deed of Company Arrangement (DOCA). A DOCA is a binding agreement between a company and its creditors setting out how a company's affairs will be dealt with. It aims to maximise the chances of the company, or as much as possible of its business, continuing to exist, or providing a better return to creditors than would be achieved by winding up the company. • that the Company be wound up (i.e. placed into liquidation)

	The Administrators will provide their opinion on each option and a recommendation on which option they consider to be in the best interests of creditors prior to the second meeting.
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B. First meeting of creditors

B.1 Where and when was the first meeting of creditors being held?	<p>The first meeting of creditors was held as follows:</p> <p>Date: Wednesday, 12 July 2023 Time: 10:00am (AWST) Address: PwC Australia, Level 15, 125 St Georges Terrace, Perth, WA, 6000.</p> <p>A circular to creditors containing the Notice of Meeting, a proof of debt and proxy form was sent to all known creditors on 4 July 2023.</p>
B.2 Can you send me a copy of the minutes of meeting?	<p>The Administrators will make the minutes of the meeting available upon request. Please email tensixtyfour@au.pwc.com should you require a copy.</p> <p>A copy of the minutes has also been lodged with the Australian Securities and Investments Commission.</p>

C. Extension of the convening period and second meeting of creditors

C.1 Why was the convening period extended?	<p>The Administrators are currently investigating the Company's affairs and its assets, which are complex and involve substantial offshore activities and shareholdings. The Administrators are of the view that these investigations are necessary before a sale or recapitalisation of the Company and/or a purchase of the assets of the Company by way of an asset sale or deed of company arrangement (if viable) can be explored or progressed.</p> <p>The Administrators were of the view that there was insufficient time before having to convene the second meeting of creditors to allow those investigations to be completed and for final and best offers to be received, considered, negotiated and finalised, and the report to creditors to be prepared.</p>
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	<p>Please refer to the circular to creditors dated 17 July 2023 for further details regarding the reasons for the extension to the convening period which can be found on the PwC website - https://insolvency.pwc.com.au/singleEntityCases/ten-sixty-four-limited-administrators-appointed/casePage.</p>
C.2 When has the convening period been extended until?	<p>On 24 July 2023, the Court granted the Administrators' application and the convening period was extended until 29 January 2024.</p> <p>A circular to creditors dated 25 July 2023 confirming the extension and attaching a copy of the Orders made by the Court can be found on the PwC website - https://insolvency.pwc.com.au/singleEntityCases/ten-sixty-four-limited-administrators-appointed/casePage.</p>
C.3 Second meeting of creditors	<p>The second meeting of creditors is now required to be held by no later than five business days after the convening period ends on 29 January 2024.</p> <p>Creditors should note that although the convening period has been extended until 29 January 2024, the Administrators retain the ability to convene the second meeting of creditors earlier than this date should they consider it appropriate to do so.</p> <p>The purpose of the second meeting is to enable creditors to make a decision about the future of the Company. The Administrators will provide a report to creditors setting out their investigations into the Company's affairs and a recommendation to the future of the Company.</p> <p>The options available to creditors are:</p> <ol style="list-style-type: none"> 1. The Company to execute a Deed of Company Arrangement 2. The Administration to end 3. The Company to be wound up and placed into liquidation <p>You will receive further correspondence regarding the timing of the second meeting of creditors along with the Administrators' report on the Company's business, property, affairs and financial</p>

	circumstances, along with their recommendation as to its future, prior to the second meeting.
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D. Creditors and communications with creditors

D.1 How will I get updates regarding the status of the administration?	<p>Copies of reports and other key communications will be issued to known creditors of the Company via email in the first instance or via post where email addresses are not available.</p> <p>Key communications will also be published on the PwC website from time to time: https://insolvency.pwc.com.au/singleEntityCases/ten-sixty-four-limited-administrators-appointed/casePage.</p> <p>Please contact the Administrators via email at tensixtyfour@au.pwc.com to confirm your contact details are accurate.</p>
D.2 I am a supplier / creditor of X64 and have not been paid	Amounts owed to you by X64 as at 2 July 2023 will form part of your claim in the administration.
D.3 How long will it take to get my money back?	We are unable to comment on whether there will be a return to unsecured creditors at this early stage of the administration. An Administrators' report to creditors, to be issued before the second meeting of creditors, will provide commentary in this regard.
D.4 What is the likelihood I will get my money back?	It is currently too early to determine whether creditors will get their money back and, if so, how much.
D.5 Who can I contact if I have questions about the administration?	<p>Emails can be sent to tensixtyfour@au.pwc.com</p> <p>We will review all queries received and update our FAQs to reflect the key themes and concerns that arise throughout the administration period.</p>



E. Shareholders

E.1 What happens to the X64 shares during the voluntary administration process?	<p>The shares of X64 (ASX:X64) are suspended from trading for the duration of the voluntary administration process, meaning they cannot be bought or sold. Shareholders should check the issuer code on the ASX site and the Company's website (https://www.x64.gold/investors/asx-announcements) for updates.</p> <p>Shareholders with specific queries should email tensixtyfour@au.pwc.com</p> <p>We will review all queries received and update our FAQs to reflect the key themes and concerns that arise throughout the administration period.</p>
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F. Media

F.1 Media Enquiries	<p>All media enquiries should be directed to:</p> <p>Michael Weir at Citadel Magnus</p> <p>+61 402 347 032</p> <p>mweir@citadelmagnus.com</p>
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