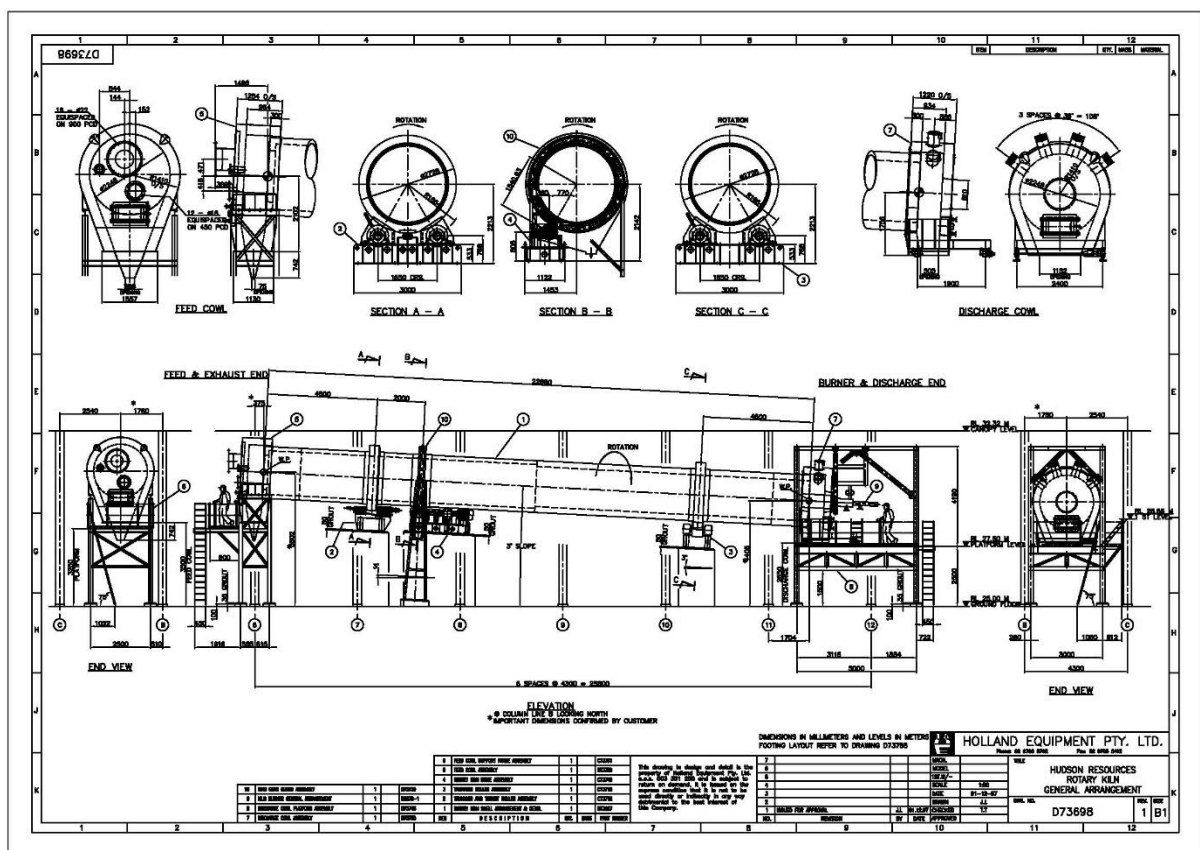


# SALE OF ASSETS INCLUDING A HOLLAND ROTARY KILN INFORMATION MEMORANDUM



PREPARED BY:

ON BEHALF OF:



COMMERCIAL-IN-CONFIDENCE

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## 1. Introduction

Hudson Resources Limited & Hudson Marketing Pty Ltd (the “Vendors”) have engaged O’Maras Valuers & Auctioneers (“O’Maras”) to prepare this Information Memorandum and conduct a sale campaign via Expressions of Interest for certain assets.

The Assets are located in Geraldton, Western Australia and are surplus to requirements. The main Asset for sale is a Holland Rotary Kiln that has never been used after it was originally purchased in 1999 for approximately \$9 million.

## 2. Disclaimer

The information contained within this document has been based on information and explanations obtained to date from the Vendors and stakeholders.

O’Maras has not audited or conducted verification work or procedures of the records of the Companies (Vendors) and accordingly we make no representations as to the accuracy or otherwise of the information contained within this document and/or information referred to herein or any subsequent information that may be provided. O’Maras does not accept any responsibility arising from any claim including but not limited to negligence ensuing from any error, omission, misstatement, negligence or otherwise contained within this document and any liability in respect of such a claim including negligence is expressly disclaimed.

Interested parties should make their own enquires with regard to the accuracy or otherwise of the information contained within this document, and should seek the appropriate advice from their professional advisers in respect of any offer or contract for sale.

This document is supplied for information purposes only and does not constitute an offer or contract, or any part of an offer or contract. Until a formal written contract has been executed between the vendor, O’Maras and any purchaser, the Vendor reserves the right to treat or deal with any other party in relation to the sale of the assets. It is noted that the Vendor may not necessarily accept the highest or any offer, which may be received as the result of the issue of this document. We note that a legally binding contract can only be achieved by the execution and exchange of a formal written contract agreed between the parties.

Only the Vendor (or their duly appointed Power of Attorneys) can contract to sell the assets of the Companies. No other person(s) are authorised to make offers or accept offers in relation to the business and the assets currently offered for sale.

### 3. Schedule of Assets for sale

The Assets to be realised are as follows:

Item	Description	Quantity
1	Holland Rotary Kiln Shell Size: 2134mm Inside diameter x 22860mm Length on 3.0 Degree Slope	1
2	ACM-25 Mill Serial: H97-86	1
3	2000 Snorkel ATB-60ALCU Boom Lift Serial: JA000350100	1
4	Helix BH-F5040PE Packaging System Includes Shoot and Conveyer	1
5	Propac AV3.2 Vertical Form, Fill and Sealing Machine	1
6	Zied Lift Hydraulic Lifter	1
7	Heatshrink Australia SW-1000 Heatshrinking Machine Model: SW-1000/300-CD-300	1
8	Heatshrink Australia SW-1000 Heatshrinking Machine Model: SW-1000/300-CD-300	1
9	Heatshrink Australia SW-1000 Heatshrinking Machine Model: SWA-1000/400	1
10	Automatic Carton Sealing Machine	1
11	Moylan Grain Silos	2
12	Assorted Scrap Steel and Spare Parts (Package 1)	1
13	Roller Crusher with Pipes and Spares	1
14	Grain Hoppers	2
15	Conveyer	1
16	Hydrovane 178 Compressor	1
17	Assorted Scrap Steel and Spare Parts (Package 2)	1
18	FY DH Series Palletizer Machine	1
20	Extruder Platform Machine	1

Access to a data room with suite of photographs, specifications & background information will be provided upon receipt of a Deed of Confidentiality.

## 4. Holland Rotary Kiln & Associated Equipment

The Holland Rotary Kiln was originally purchased for the Calcination of Diatomaceous Earth (i.e. clay) at 870°C to 1,202°C. The Kiln is fabricated in one section from AS3678-250 Carbon Steel with the following:

- Shell Size: 2134mm
- Inside diameter x 22860mm
- Length on 3.0 Degree Slope
- Shell Thickness: 16mm Plate
- Plate Under Tyres & Gear: 36mm Plate
- Hot Brick Retaining Ring: 10mm Incaloy 800
- Cold Brick Retaining Ring: 16mm Plate

The Kiln was purchased new in 1999 for approximately \$9million and has never been commissioned. There is the following Associated Equipment for the Kiln:

- Cement - 1.5 pallets
- Refractory - 56 packs
- Large Industrial Exhaust Fans x 3
- Small Industrial Exhaust Fans x 2
- Blower x 1
- Set of Kiln Drum Tyre Rollers x 1
- Other Parts
- Expansion Tanks, Vessels & Pipe Works.
- Drives & Fabricated Steel Work
- Air Systems Vessels x 3
- Blower x 2
- Tank Bottom Outlet
- Tank Halves
- Pumps – 2 x 4" & 1 x 6"
- Small & Large Fan
- Rotary Valves
- Sturtevant Separator x 2
- Cyclone Collector x 2
- Other Parts

Additional information will be provided regarding the Kiln & Associated Equipment, including photographs & will be released upon receipt of a Deed of Confidentiality.

## 5. Offer to Purchase the Assets

We are seeking interested parties that can realistically expect to be in a position to bid for the assets and seek offers in this regard.

**Upon receipt of a Deed of Confidentiality Undertaking, we will issue a non-auction contract.**

**Indicative offers are to be received no later than Midday (AEDT) Friday, 5 February 2021.**

The Vendor retains the right to negotiate offers with different parties at the same time.

For any further information please contact Christopher Brereton of this office.

Yours sincerely,

**Tim O'Mara**  
**Managing Director**  
**O'MARAS**  
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**Christopher Brereton**  
**National Manager – Banking,**  
**Insolvency & Finance**  
**O'MARAS**  
t: +61 414 335 500  
e: [chris@omaras.com.au](mailto:chris@omaras.com.au)

## Deed of Confidentiality Undertaking

We, being the parties described in Schedule 1 (the **Recipients**), agree to the following:

1. acknowledges that:
  - (a) the Recipients will be given access to information and documents in relation to the business, finance and Intellectual Property assets (the **Confidential Information**) owned and/or operated by the Companies in Schedule 2 (the **Seller**);
  - (b) none of the Seller, its solicitors and agents, including the staff and O'Maras Valuers & Auctioneers (**O'Maras**), make any representations, or give any warranties, in relation to the Confidential Information, including, without limitation, in relation to the contents or accuracy or completeness of the Confidential Information;
  - (c) the Recipients agree to make and rely on its own enquiries in relation to the Confidential Information, including, without limitation, in relation to the contents, accuracy or completeness of the Confidential Information;
2. undertakes to the Seller that, in relation to the Confidential Information:
  - (a) the Recipients will keep the Confidential Information confidential at all times;
  - (b) the Recipients will not use the information surrounding the Confidential Information or any part of either of them for any purpose other than the purpose of considering a potential purchase of the Intellectual Property assets;
  - (c) subject to clause 2 (d), the Confidential Information and any part of either of them will not, without the prior written consent of the Seller, be disclosed by us, either directly or indirectly to any person;
  - (d) the Confidential Information may be disclosed by the Recipients to its legal, financial and other advisors on the basis that they are bound by this undertaking.
3. undertakes to immediately notify the Seller and O'Maras if it suspects or has become aware that a person has disclosed or is suspected of disclosing or is intending to disclose confidential information to any person otherwise than strictly in accordance with this undertaking.
4. indemnifies and agrees to keep indemnified the Seller and O'Maras against all claims, demands or causes of action (whether based in contract, equity, tort or statute), losses, costs or expenses (**Claims**) arising, as a result of any breach of this undertaking. The Recipients acknowledge and accept that damages may not be an adequate remedy and that the Seller and the Administrator is entitled, inter alia, to seek an order for injunctive relief;
5. acknowledges that except for this Deed (and any other documents the Seller and Recipients specifically agree in writing are binding), there is no binding agreement or relationship between the Seller, O'Maras and the Recipients unless a contract is agreed upon and signed by both parties;
6. acknowledges that the Seller is relying upon this undertaking and the disclaimer set out in any Information Memorandum which the Recipients acknowledge is binding on them;
7. acknowledge and agree that:
  - (a) the Seller, O'Maras or their employees do not incur any personal liability to the Recipients on any basis and do not accept or assume any personal obligations under this Deed in any manner whatsoever;

**Schedule 1**

Recipient(s)	Address & Email

**Schedule 2**

Companies
Hudson Resources Ltd ABN 71 008 720 965
Hudson Marketing Pty Ltd 59 082 785 788

Executed as a Deed.

**Executed by the Recipient Company** specified  
in accordance with section 127 of the  
Corporations Act 2001 (Cth):

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
ABN/ACN of Company

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Signature of Company Secretary/Director

\_\_\_\_\_  
Full Name of Director

\_\_\_\_\_  
Full Name of Company Secretary/Director

**Executed by the Recipient Company** specified  
in accordance with section 127 of the  
Corporations Act 2001 (Cth):

\_\_\_\_\_  
Name of Company

\_\_\_\_\_  
ABN/ACN of Company

\_\_\_\_\_  
Signature of Director

\_\_\_\_\_  
Signature of Company Secretary/Director

\_\_\_\_\_  
Full Name of Director

\_\_\_\_\_  
Full Name of Company Secretary/Director

**Signed, sealed and delivered by the Recipient  
Individual specified, in the presence of:**

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Individual

\_\_\_\_\_  
Full Name of Witness

\_\_\_\_\_  
Full Name of Individual

**Signed, sealed and delivered by the Recipient  
Individual specified, in the presence of:**

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Individual

\_\_\_\_\_  
Full Name of Witness

\_\_\_\_\_  
Full Name of Individual