

23 August 2024

Initial Circular to Suppliers

Dear Sir/Madam

**Redflow Limited ACN 130 227 271
and certain entities listed in Schedule A (the Companies)
(All Administrators Appointed)**

1. Appointment of Voluntary Administrators

Richard Hughes and I, David Orr, were appointed Joint and Several Voluntary Administrators (**Administrators**) of the Companies on 23 August 2024, pursuant to Section 436A of the *Corporations Act 2001 (Cth)* (the **Act**).

As the Administrators:

- We have taken control of the business and operations of the Companies. While we undertake an urgent review of the position of the Companies and the options available, we are continuing to trade the Companies' businesses on a **business-as-usual basis**; and
- We are responsible for dealing with the staff and suppliers of the businesses in respect to the ongoing trading of the business from the date of our appointment as well as conducting a sale and/or recapitalisation of the business.

The effect of the appointment of the Administrators is to place a moratorium on the payment of amounts due to unsecured creditors for debts incurred up to the date of our appointment.

We will advise you shortly of when the first meeting of creditors will be held and any subsequent meetings including when creditors can expect to receive a report detailing our investigations into the affairs of the Companies.

2. Pre-appointment invoices (prior to 23 August 2024)

We understand that there may be an outstanding debt owed to you by the Companies.

We will be sending further correspondence during the administration period in respect to the expected quantum of any return to creditors for debts outstanding as at the date of our appointment.

3. Future services (from 23 August 2024)

During the voluntary administration, Administrators are personally liable under Section 443A of the Act for any approved liabilities incurred while we are Administrators. This means that we will pay for all services approved by us and performed by you since the time of our appointment in accordance with current trading terms.

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Being able to maintain the business through ongoing trade is critical to realising a recapitalisation process and/or sale of the business (which, in turn is the likely way payment of pre-appointment debt returns can be maximised and liabilities minimised).

Please note that the Administrators will not accept liability for payment for any goods or services supplied during the administration period without an authorised Deloitte purchase order and a purchase order from the appropriate company in Administration being provided. A list authorised signatories and their respective approval limits is contained at **Schedule B**.

To this end, we request that you urgently confirm your cooperation throughout the administration period including the provision of services on an ongoing basis. If these terms are not acceptable to you, we request you urgently advise the terms on which you will provide services to the business.

Please open a new account for the relevant purchasing entity styled with the relevant company name followed by "(Administrators Appointed)". Accounts held prior to our appointment should not be used, to allow easier reconciliation and payment in the future.

If there are any outstanding or incomplete orders placed by the Companies prior to our appointment, please contact us on the details below to obtain written instructions concerning your order.

Once again, your continued support of the business is appreciated during this period which is critical to achieving a successful outcome for all creditors.

For all queries, please send your questions to my office at redflow@deloitte.com.au.

Yours faithfully



David Orr
Joint and Several Administrator

Encl.

Schedule A – Redflow Group of companies

Company name	ABN	ACN
Redflow Limited	49 130 227 271	130 227 271
Redflow International Pty Ltd	57 128 888 997	128 888 997
Redflow R&D Pty Ltd	27 116 992 253	116 992 253
Zcell Australia Pty Ltd	-	613 792 420

Schedule B

Authorised Signatories and Approval Limits

NAME:	Richard Hughes	SIGNATURE: 
AUTHORISATION LIMIT:	No limit	

NAME:	David Orr	SIGNATURE: 
AUTHORISATION LIMIT:	No limit	

NAME:	Neil Williams	SIGNATURE: 
AUTHORISATION LIMIT:	\$25,000.00	

NAME:	Harry Bayard	SIGNATURE: 
AUTHORISATION LIMIT:	\$25,000.00	