



Paul Venter

Executive General Manager
Liberty Bell Bay
Bell Bay, TAS

21 August 2025

The Hon. Minister Felix Ellis

Minister for Business Industry and Resources
Tasmanian Government
Hobart, TAS

Dear Minister Ellis,

On behalf of Liberty Bell Bay and the broader Bell Bay community, I would like to extend our sincere gratitude to the Tasmanian Government for its financial support during what has been a particularly challenging period. We also appreciate the burden this place on the state.

Your government's commitment to sustaining regional industry and employment has made a tangible difference to our operations and, more importantly, to the lives of the people who live and work in this region. The support provided has enabled us to resume critical operations, safeguard jobs, and secure the future of sustainable manufacturing in Tasmania.

We are proud to be part of Tasmania's industrial landscape and deeply value the partnership we share with the State Government. We have enjoyed a strong and open working relationship with the government; its ministers and MPs and we look forward to the same with you. We commend the work undertaken by your team and departments and their proactive, pragmatic and solutions-oriented approach.

We look forward to continuing our collaboration with the Government as we work toward a strong, innovative, and sustainable future for Liberty Bell Bay and the communities we serve.

With sincere thanks,

Out of Scope
[Redacted signature area]

Paul Venter

Executive General Manager
Liberty Bell Bay

From: Ellis, Felix
Sent: Tuesday, 23 September 2025 9:59 PM
To: Minister Ellis
Subject: FW: Liberty Bell Bay Support
Attachments: Letter of Support to the Minister Business Industry and Resources R1.0.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

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From: Paul Venter <Out of Scope@libertygfg.com>
Sent: Monday, 22 September 2025 4:28 PM
To: Ellis, Felix <Felix.Ellis@dpac.tas.gov.au>
Subject: Liberty Bell Bay Support

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Dear Minister Ellis,

I trust you are keeping well.

We have been engaged with your departments with regards to the provided support and we appreciate the limitation and constraints of the Tasmanian Government. To this extent we have duly considered a "best approach" which is contained in the attached support letter.

Please reach out for any further clarity required.

Kind Regards
Paul

Paul Venter
Executive General Manager, Liberty Bell Bay

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Paul Venter
Executive General Manager
Liberty Bell Bay
Bell Bay, TAS
22 September 2025

The Hon. Felix Ellis
Minister for Industry
Tasmanian Government
Hobart, TAS

Dear Minister Ellis,

Re: Amendment to Existing Loan Facility - Procurement of Coke Material

Liberty Bell Bay (LBB) is an integral part of the Tasmanian economy and the national manufacturing capability. The support shown to LBB by the Tasmanian Government to date has been critical to its continued operations and has been greatly appreciated.

As you're also aware, the need for coke material is critical to ensuring a sustainable restart of the smelter. Current stock levels are expected to be depleted by mid-November 2025.

I am therefore writing to request your consideration for an amendment to the current loan facility provided to LBB, specifically to allow for the allocation of funds towards a deposit for the procurement of coke material essential for a sustainable startup.

We are not seeking an increase in the total facility amount, instead we propose to utilise a portion of the existing facility for this purpose. The deposit amount is expected to be in the order of A\$2.3m with the balance of the \$7.5m being financed through a financing partner.

We believe this amendment aligns with the objectives of the loan and will significantly contribute to the sustainability of Liberty Bell Bay. Importantly it does not increase the support provided by the Government and simply reallocates existing support to the most appropriate destination based on operational requirements.

Please let us know if you require any further information or clarification. We look forward to your favourable consideration of this request.

Yours sincerely,
Out of Scope

Paul Venter
Executive General Manager
Liberty Bell Bay



15 OCTOBER 2025

Senator the Hon Tim Ayres MP
Minister for Industry and Innovation
PO Box 6100
Senate
Parliament House
Canberra ACT 2600

Hon. Felix Ellis MP
Minister for Business, Industry and Resources
Minister for Skills and Jobs
Minister for Police, Fire and Emergency
Management
Level 5, 4 Salamanca Place,
Hobart, TAS 7000

Dear Minister Ayres and Minister Ellis

As you are both aware from the detailed discussions held with you or your offices in recent months, Liberty Bell Bay (LBB) is a ferromanganese smelter located near George Town, Tasmania. It is the only ferromanganese smelter operating in Australia, which as you would appreciate is critically important to Australia's sovereign steel capability and supply chain as it is an essential component of steel manufacturing.

Like many other smelters across the country that have received government support in recent months, LBB has been impacted by adverse operating conditions, increased energy costs and falling commodity prices. High-carbon ferromanganese prices have fallen over 13 per cent in the US since June (which is our primary export market), with a nine per cent fall in recent weeks alone.

In addition, LBB's operations were impacted severely in March 2024 by the force majeure of our main ore supplier following Tropical Cyclone Megan. The impact of this event cannot be understated and was felt for more than a year, even after the resumption of the supplier's operations.

To date we have attempted to navigate these conditions to the greatest extent possible, only moving our team to limited operations temporarily when absolutely necessary. These workers and our operations are critical to Tasmania and the smelter cannot operate without their unique skills and expertise.

LBB employs 350 people who are deeply ingrained in the community of George Town. During our period of limited operations our teams spent time performing in-kind work giving back to schools in the area by gardening and landscaping including building planter boxes, replacing seating, painting, repairs and maintenance. Our priority during this period has been to keep our team engaged, and we have continued to pay all staff entitlements.

As you are both aware, Liberty Bell Bay has approached both Tasmanian and Federal Governments for support and to date the Tasmanian Government has provided a \$20 million short term facility for ore purchase. We are grateful for the Tasmanian Government's engagement and for commitment to our workforce and Australian manufacturing. However, given the significant deterioration in conditions in recent months we are still in a highly distressed position and are unable to resume full operations.

As we have advised both of your offices, without further support we face an almost certain risk of going into shutdown by December of this year. We would be grateful for any support the Tasmanian or federal government could provide. To aid your consideration we have prepared a detailed plan with multiple scenarios and liquidity analysis, which is contained at **Attachment A**.

Any support that could be provided is likely able to be paid directly to suppliers (as the Tasmanian Government finance was) in order to alleviate any concerns you may have.

I would appreciate the opportunity to discuss these matters with you both in further detail. I am currently traveling in the US as part of a trip to further ascertain market conditions and export opportunities but can speak by phone or video, or meet in person upon my return.

Out of Scope



Kind regards

Paul Venter

Liberty Bell Bay

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Attachment A

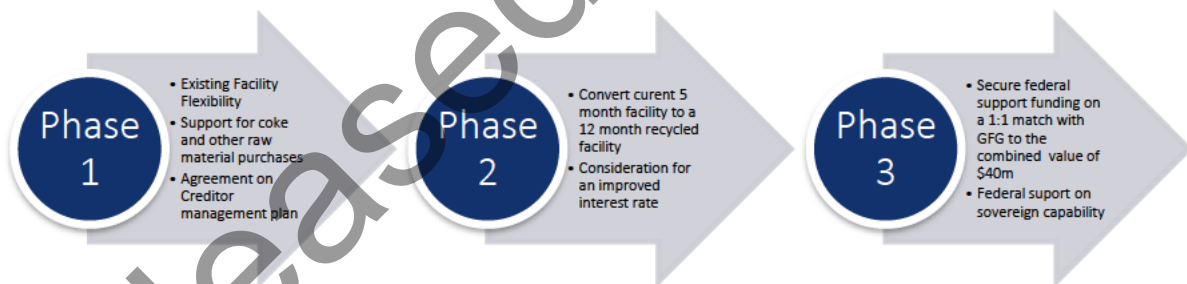
LBB SUSTAINABLE RESTART PLAN

For an effective restart that is sustainable the following requirements must be met:

- 1) Assurance in additional funding of A\$50m
- 2) Current facility to align to flexible application and reasonable repayment terms that supports a sustainable startup.
- 3) Preserving raw material and finished goods recovery value through prudent sales and conversion timing to be aligned with sales outcomes.

As contemplated during the Taskforce meetings a 3-tranche funding consideration was proposed. Bearing in mind the limitations at State level the proposal pursues optimisation of the current support facility and not an increase in the support quantum.

3 Stage Proposal



Phase 1:

The current \$20m secured facility will remain partially used under the current terms. By allowing the facility to be used for the purpose of securing raw materials on will allow coke and other critical raw materials to be secured to support the sustainable restart plan.

Phase 2:

The term of the current facility of 5 months will deplete the working capital of the business and as such will not support a sustainable restart. The proposal is to increase the term of the facility and to allowed continued drawdown for the purpose of securing raw materials over the revised period.

Phase 3A: Desirable

The extent of the additional funding requirement for a sustainable restart is \$50m. The shortfall is proposed to be sought through a “one to one” funding match between Federal Government and GFG. The view being that the support will ultimately be provided to the State for application at LBB to ensure an arm’s length treatment between GFG and Federal Government. It is further proposed that the facility be considered on favourable terms to allow a full recovery of the business.

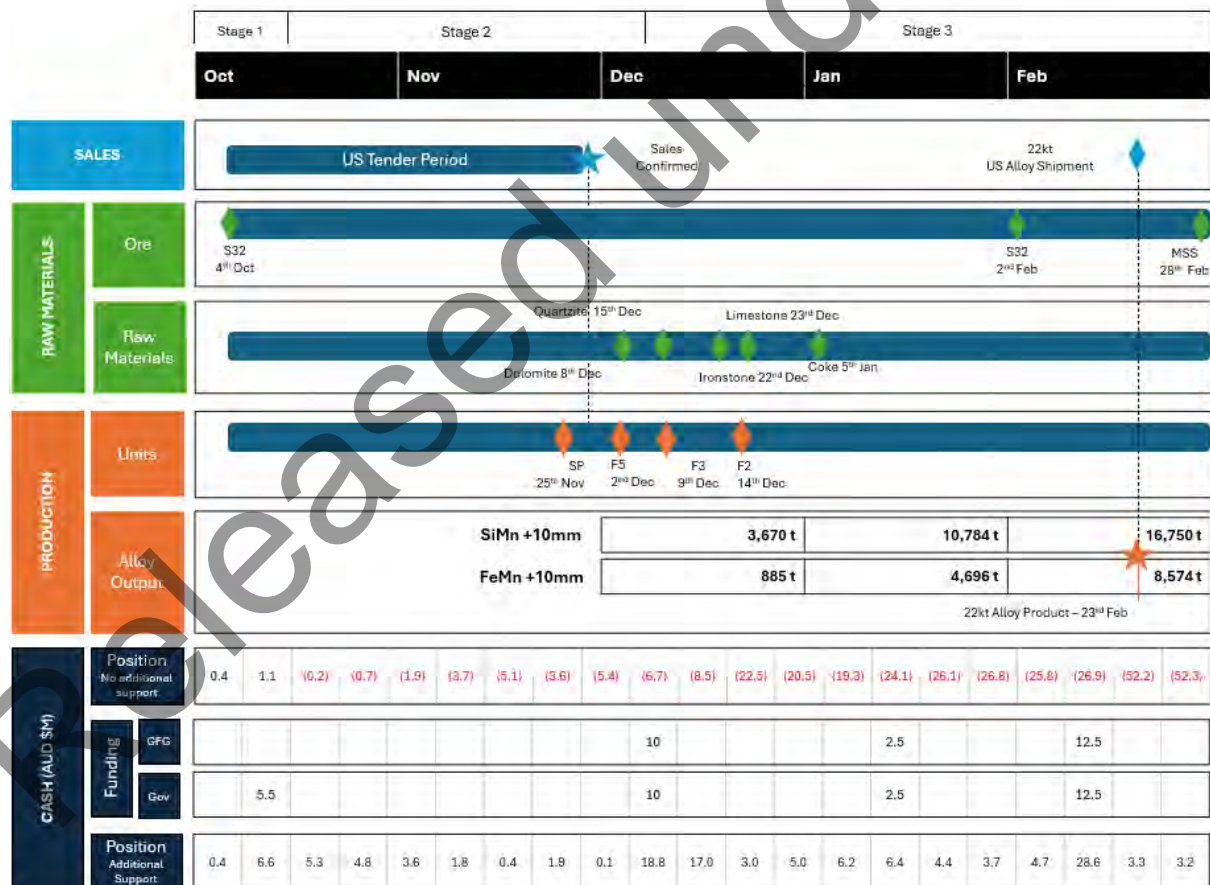
Phase 3B: (Likelihood: Low-Possible)

Current proposal with Blackrock to support WC loan to LBB for \$50m over 5 years.

Phase 3C: (Likelihood: Optimistic)

Pursue a lease option of LBB to GMC. An asset-based lease option on a multi-year term is proposed to produce mainly SiMn applying a low-grade ore conversion technique.

TIMELINE: Liquidity requirements of a sustainable startup



Stage 1:

\$5.5m residual on current facility to be utilised for the purpose of raw materials exclusively

Stage 2:

Convert the current facility to a 12-month facility to allow for retention of receivables for working capital.

Improve the interest rate to 4-8% over 12 months.

Stage 3:

1:1 matching from GFG and Federal government to sustain startup to the value of \$50m on a defined time interval basis as per above table.

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HON. FELIX ELLIS MP
MINISTER FOR BUSINESS, INDUSTRY AND RESOURCES
GPO BOX 123
HOBART TAS 7001

Dear Minister

Thank you for your letter dated 17 October 2025 regarding the facility agreement between Liberty Bell Bay (LBB) and the Tasmanian Government.

I have addressed the specific issues raised in your letter individually as follows.

Breach of negative pledge

The signing of the Global Loan Agency Services Australia Nominees Pty Limited Specific Security Deed (the GLAS SSD) was a process undertaken to achieve financing for the Tahmoor Colliery mine (Tahmoor), another entity within the GFG Alliance.

I'm advised that the provisions of concern in your letter relate to historic intercompany loans to Tahmoor and the inability for those loans to be repaid without the consent of the financier. The inclusion of these provisions and their interaction with the facility agreement between LBB and the Tasmanian Government was an oversight; it should not have occurred and I apologize for the inconvenience and concern it has created.

Upon receipt of your letter LBB, through GFG Alliance, immediately wrote to the legal advisers of the financier to request that the required change be agreed. At the time of writing there has not been a definitive answer provided, but as soon as these discussions conclude I will write to you with an update on the outcome and next steps.

Further, and while not attempting to diminish or dismiss your concerns in any way, it should also be noted that the intercompany loans in question are commercially unlikely to be repaid in the short to medium term, at least until the Tahmoor operations are stabilized and its operations restart. The GLAS SSD is not intended to be security to or support for that financing package beyond agreeing to not seek immediate repayment of the intercompany loans to give Tahmoor room to return to profitable operation and repay the intercompany loans in full as soon as possible in the future.

The signing of the GLAS SSD represents the significant effort being taken by the owners of both LBB and Tahmoor to navigate this period of distress, which as you know has been caused by a range of local and international market conditions.

Resumption of production

In relation to the attempts to restart operations, I have just returned from the United States where I met with prospective customers for the production that the facility agreement would underpin. As you're aware, the ferromanganese price has dropped significantly in recent months, and to restart

operations in a sustainable way LBB needs to have certainty that it has a buyer of the production at a profitable price.

To restart too early in the absence of certainty on the price and sale of the production would simply return LBB to the position it was in prior to the Tasmanian Government's valuable assistance. We have and will continue to regularly update your office on these matters and I would welcome the opportunity to discuss this with you further.

Payments to Tahmoor

The payments referred to in your letter were short-term movements of cashflow within the GFG Alliance and were repaid in full on 8 October, 2025.

Payment of trade creditors

We continue to work closely with all of our suppliers on payment terms and arrangements. Since the conclusion of the facility agreement we have continued to make payment to the value of \$3.4m to creditors based on our current prioritization and our suppliers are taking a pragmatic approach that will help to underpin our restart.

Please don't hesitate to contact me if you would like to discuss these matters further.

Kind regards

Out of Scope



Paul Venter

Executive General Manager

LBB

28 October, 2025

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