GRIFFIN COAL — KPMG AND AD ASTRA CORPORATE ADVISORY

976.   Hon Dr STEVE THOMAS to the minister representing the Minister for State and Industry Development, Jobs and Trade:

I refer to my question without notice 934 asked yesterday, 30 August 2023, on the appointment of Ad Astra Corporate Advisory to advise the government on the problems at the insolvent Griffin Coal that have resulted in a blowout in liquidator grants from the government, now totalling $27.3 million, to the receivers and managers.

(1)   What is the value of the contract with Ad Astra, and how many additional payments above the contract have been made?

(2)   Has Ad Astra advised the government that Griffin Coal has been trading whilst insolvent?

(3)   If yes to (2), from what date did Ad Astra advise the government that Griffin Coal commenced trading whilst insolvent?

(4)   Has Ad Astra advised the government what the expected final outcome of the financial crisis at Griffin Coal will be; and, if so, what was that advice?

(5)   If no to (4), what is the government paying Ad Astra for?

Hon STEPHEN DAWSON replied:

I thank the Leader of the Opposition for some notice of the question.

(1)   To date, the state government has paid $286 869, including GST, for Ad Astra Corporate Advisory's services. There is no fixed term under the engagement with Ad Astra. This is normal for contracts involving negotiations as the work is heavily dependent on the issues that arise and the level of cooperation of the counterparties.

(2)   No.

(3)   Not applicable.

(4)–(5)   Treasury has appointed Ad Astra Corporate Advisory to assist the government with the discussions with commercial parties with a view to resolving Griffin Coal's financial difficulties through commercial agreement, based on commercial parties paying a price for coal that supports the stable operation of the mine. Those discussions remain ongoing and are commercially sensitive.