



**ASIC**

Australian Securities &  
Investments Commission

## ASIC WELCOMES YANDAL DECISION

The Australian Securities and Investments Commission (ASIC) today welcomed the Federal Court Decision in ASIC's litigation against Yandal Gold, and the parties associated with it, in the bid for Great Central Mines.

Mr Justice Merkel found that Yandal Gold Pty Ltd, Yandal Gold Holdings Pty Ltd, Edensor Nominees Pty Ltd and Normandy Consolidated Gold Holdings Pty Ltd had breached Chapter 6 of the Corporations Law which enabled them to make a "highly successful takeover bid for Great Central Mines shares at a significantly lower price than would have had to be paid at the time had the bid proceeded without the ....{contravention of section 615}."

He also found these arrangements "resulted in a significant detriment to shareholders"

ASIC took the court action because it became concerned that the bid vehicle had enabled Normandy and Gutnick interests to acquire control of the company through the joint bid vehicle at a lower price.

Justice Merkel made remedial orders requiring the parties to pay, within 21 days of the order, \$28.5 million into a pool to compensate shareholders who accepted into the bid.

If this money is not paid into the pool within that time then Yandal Gold is ordered to dispose of all the shares in Great Central Mines Ltd that it has acquired, in addition to paying shareholders on a pro rata basis from the \$28.5 million.

Justice Merkel also ordered that each person who accepted the offer sent by Yandal Gold Pty Ltd be notified that they are entitled to withdraw their acceptance and return any money paid for their shares to Yandal Gold.

ASIC National Enforcement Director Joe Longo said he was pleased the Commission's action, which was taken to protect shareholders, has been vindicated by the Court.

"The Commission has noticed an increasing tendency on the part of advisers and takeover parties to enter into complex structures, many of which appear designed to avoid the takeover law provisions," Mr Longo said.

"Those devices are unacceptable and ASIC remains committed to ensuring that takeovers occur in an informed and efficient market."

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