



S02130863

## ENFORCEABLE UNDERTAKING

*Australian Securities and Investments Commission Act 2001*

Section 93AA

The commitments in this undertaking are offered to the Australian Securities and Investments Commission (ASIC) by:

**Daniel Reece Panrucker, born 28 November 1972**

AND

**Ava Securities Pty Ltd ACN 163 987 059**

*c/- Level 22, 85 Castlereagh Street SYDNEY NSW 2000*

### 1. Definitions

In addition to terms defined elsewhere in this undertaking, the following definitions are used:

**Act** means the *Corporations Act 2001* (Cth);

**AFS Licence** means Australian Financial Services Licence and has the meaning given to that term by s761A of the Act;

**AFS Licensee** means a person who holds an AFS Licence;

**AR Agreement** means the authorised representative agreement dated 8 October 2013 between Jade Capital and Ava Securities;

**ASIC** means the Australian Securities and Investments Commission;

**ASIC Act** means the *Australian Securities and Investments Commission Act 2001* (Cth);

**authorised representative** means a person authorised in accordance with s916A or s916B of the Act, to provide a financial service or financial services on behalf of a licensee;

**Ava Securities** means Ava Securities Pty Ltd ACN 163 987 059;

**EU** means this enforceable undertaking;

**financial service** has the meaning given to that term by Division 4 of Part 7.1 of Chapter 7 of the Act;

**financial services business** has the meaning given to that term by s761A of the Act;

**Jade Capital** means Jade Capital Partners Pty. Ltd. ACN 153 326 222;

**Mr Panrucker** means Mr Daniel Reece Panrucker, born 28 November 1972;

**Temple** means Temple Resources Pty Ltd ACN 166 563 006;

**Thracian Australia** means Thracian Resources Australia Pty Ltd ACN 163 631 114 which was deregistered on 4 October 2015;

**Thracian Resources** means Thracian Resources Pty Ltd ACN 161 524 394 which was deregistered on 3 May 2015; and

**Welcome Gold** means Welcome Gold Holdings Pty Ltd ACN 163 613 509.

## 2. ASIC's Role and Investigation

- 2.1 Under s1 of the ASIC Act, ASIC is charged with a statutory responsibility to perform its functions and to exercise its powers so as to promote the confident and informed participation of investors and consumers in the financial system.
- 2.2 Pursuant to Division 1 of Part 3 of the ASIC Act, ASIC has investigated Mr Panrucker, Ava Securities, Thracian Resources, Thracian Australia and Temple, regarding suspected contraventions of the Act.

## 3. Background

### Ava Securities

- 3.1 On 28 May 2013, Ava Securities was registered as a corporation. Mr Panrucker was the sole director and shareholder of Ava Securities, which had approximately five employees.
- 3.2 Ava Securities offered capital raising services for companies seeking to raise initial capital to start businesses (**seed capital**), particularly for mining and exploration companies. The Act required Ava Securities to hold an AFS Licence or be an authorised representative if it was to provide this financial service.

### AFS Licence

- 3.3 Ava Securities has never held an AFS Licence.

### Authorised representative status

- 3.4 Ava Securities was not an authorised representative of an AFS Licensee from 9 April 2014 to 17 October 2014.
- 3.5 Ava Securities has informed ASIC that it believed it was an authorised representative of an AFS Licensee between July and August 2013 but this is not supported by documents lodged with ASIC by AFS Licensees.

- 3.6 From 10 September 2013 to 8 April 2014 Ava Securities was an authorised representative of Jade Capital Partners, an AFS Licensee ("Jade Capital"). The conditions of the AFS Licence and the AR Agreement set out what Ava Securities was authorised to do as Jade Capital's authorised representative.
- 3.7 On 8 April 2014 Jade Capital revoked Ava Securities' authorised representative status. This occurred immediately upon Jade Capital becoming aware that Ava Securities was putting seed capital raised from Temple's shareholders directly into Ava Securities' own bank account. Ava Securities was not authorised to do this under the AR Agreement.
- 3.8 Jade Capital lodged a breach report with ASIC pursuant to s912D of the Act with regard to Ava Securities' conduct referred to in paragraph 3.7 above.

**Mr Panrucker**

***AFS Licence and authorised representative***

- 3.9 Mr Panrucker has never held an AFS Licence.
- 3.10 From 10 September 2013 to 8 April 2014 Mr Panrucker was a sub-authorised representative of Jade Capital. Mr Panrucker was not an authorised representative of an AFS Licensee for any other period.

***Mr Panrucker's positions***

- 3.11 Apart from being the sole director and shareholder of Ava Securities as referred to above in paragraph 3.1, Mr Panrucker was also a director of:
- (a) Temple from 1 September 2014 to 3 December 2014;
  - (b) Thracian Australia from 27 May 2013 to 14 August 2013; and
  - (c) Welcome Gold from 6 May 2013 to 28 September 2015 (as reflected in documents lodged with ASIC).
- 3.12 Apart from being a director as described above, Mr Panrucker participated in the decision making of Temple, Thracian Resources and Thracian Australia and therefore was an officer of:
- (a) Temple from 1 November 2013 to 31 August 2014;
  - (b) Thracian Resources from 11 December 2012 to 29 April 2013; and
  - (c) Thracian Australia from 10 May 2013 and 26 May 2013.

## 4. Capital Raising

- 4.1 Temple, Thracian Resources and Thracian Australia were mining companies raising seed capital from the public who were generally informed that these companies were to undertake preliminary mining operations and exploration activities.
- 4.2 Pursuant to the Act, capital raising generally requires that retail investors are provided with a disclosure document, unless the capital raising is subject to one of the exemptions set out in the Act.
- 4.3 Many of the investors in the shares of these companies had little or no investment experience.
- 4.4 There are no records indicating that Temple, Thracian Resources and Thracian undertook enquiries to determine whether investors were classified as retail or wholesale investors. Accordingly, it is uncertain whether the capital raising required a disclosure document to be provided to potential investors.

### Temple Capital Raising

- 4.5 From 25 October 2013 to 17 October 2014, at least \$593,500 seed capital was raised by Ava Securities for Temple.
- 4.6 During the Temple seed capital raising, Ava Securities:
- (a) contacted potential investors, provided them with details of the investment opportunity (a nickel site in Western Australia) by setting out the highlights and advantages in the investment;
  - (b) circulated share application forms to potential investors;
  - (c) Made statements of opinion as to the potential of the investment, for example: "*We have given a lot of consideration ... when planning this investment opportunity, which is why we are so confident to present this to you*" and "*We have had some HUGE developments with the Nickel investment since we last spoke ... There are some major economic factors that have recently come to light that now make this a very very attractive investment opportunity*";
  - (d) received completed share application forms and money from investors; and
  - (e) arranged for investors to receive shares.
- 4.7 As such, Ava Securities was carrying on a financial services business and was required to hold an AFS Licence.
- 4.8 Ava Securities was not an AFS Licensee or an authorised representative of an AFS Licensee for part of the period it was carrying on this financial services business; that is from 9 April 2014 to 17 October 2014.

***Seed capital funds deposited into Ava Securities' bank account***

- 4.9 From about 25 October 2013 until January 2014, the Temple share application form circulated by Ava Securities instructed investors to deposit funds for the seed capital raising directly into Ava Securities' bank account rather than into Temple's bank account. Ava Securities was not authorised to do this under the AR Agreement referred to at paragraph 3.6 above.
- 4.10 The investors' money was never placed in a trust account or segregated from Ava Securities' money in any way.
- 4.11 Ava Securities received approximately \$593,500 seed capital for Temple from 57 shareholders. Approximately \$368,700 of these funds was deposited directly into Ava Securities' bank account (approximately 62% of the total funds raised).
- 4.12 This money was never transferred from Ava Securities to Temple.

***Draft unexecuted agreement***

- 4.13 A draft unexecuted agreement dated 21 November 2014 between Temple and Ava Securities purports to set out the commission arrangement between Ava Securities and Temple. The draft agreements states, among other things, that:
- (a) Ava Securities will "*raise \$1.2m for Temple from sophisticated and private investors*";
  - (b) "*In return for Ava Securities raising \$1.2 million, Ava Securities is entitled to be paid \$100,000 upfront as an establishment fee, plus 6% of capital raised*"; and
  - (c) Temple will pay invoices from Ava within 5 business days.
- 4.14 Ava Securities raised approximately \$593,500 for Temple, not \$1.2 million. Even if the draft unexecuted agreement reflected the commission arrangements between Ava Securities and Temple, Ava Securities was not entitled to any commission in relation to the seed capital fundraiser for Temple.
- 4.15 Between 11 February 2014 and 8 April 2014, Temple transferred \$133,000 in eight transactions to Ava Securities.
- 4.16 The \$368,700 received and retained by Ava Securities was disproportionate to the entire Temple seed capital raising of \$593,500 and cannot be explained by way of fees or commission, if it was so entitled. In particular, Ava Securities had already received from Temple \$133,000.

***Information Memoranda representations***

- 4.17 Potential investors in Temple were provided with a document entitled "*Information Memorandum*" dated 8 November 2013 which stated that:
- (a) *"Temple Resources has acquired mining lease ELA 70-4529, which is located in the Albany Fraser orogen [sic] of Western Australia."*
- (b) *"We are conducting a capital raise to provide the capital required to purchase additional sites, in addition to conducting Aeromagnetic surveys, aircore drilling and geologist testing on our current site which we believe will increase the value of the company..."*
- 4.18 Temple did not hold the mining lease or any exploration licence on the site referred to at paragraph 4.17 above, at the time of providing investors with the Information Memorandum, or at any other relevant time.
- 4.19 As an officer of Temple, Mr Panrucker would have been aware of this material fact. As the sole director of Ava Securities, Mr Panrucker, with knowledge of this fact, caused Ava Securities to positively promote the Temple investment to investors.

***Disclosure Document***

- 4.20 The Act provides generally that when an offer of securities is made, it must be accompanied by a disclosure document, unless the offer is subject to an exemption.
- 4.21 Between January and July 2014, Temple raised at least \$224,800.
- 4.22 When making the offer to potential investors, Temple did not provide a disclosure document.
- 4.23 Temple does not have records which establish that the offer made to investors met the conditions of any of the exemptions to provide a disclosure document.

**Thracian Resources capital raising**

- 4.24 From at least 25 February 2013 to 6 May 2013 potential investors in shares of Thracian Resources were given documents titled "*Information Memorandum*" and application forms instructing investors to deposit their funds into Thracian Resources' bank account.
- 4.25 Versions of the Information Memoranda varied but they all conveyed that Thracian Resources had either been assigned an option to acquire an interest, or was in the process of seeking to acquire an interest in, two mining leases in the Charters Towers Region in Queensland.
- 4.26 Versions of the Information Memoranda also describe these two mining leases as "*Welcome Mines*", being "*Mining Lease Number 10125*" and set out the location as being "*30 kilometres south of the town of Charters Towers*" with certain details including indicated tonnage, area and expiry date of the lease.

- 4.27 The Information Memoranda generally conveyed to potential investors that Thracian Resources intended to exploit and profit from these mines.
- 4.28 Between 11 December 2012 and 29 April 2013, Thracian Resources raised approximately \$320,000 from about 21 investors.
- 4.29 As an officer of Thracian Resources, Mr Panrucker would have been aware of these material facts.

#### **Welcome Gold**

- 4.30 On 6 May 2013, Welcome Gold was incorporated. Documents lodged with ASIC record Mr Panrucker as a director of Welcome Gold from 6 May 2013 to 28 September 2015 and a 25% shareholder in Welcome Gold.
- 4.31 Thracian Resources was a 50% shareholder in Welcome Gold.

#### **Thracian Australia capital raising**

- 4.32 On 7 May 2013 Thracian Australia was incorporated and opened a bank account.
- 4.33 As referred to at paragraphs 3.11(b) and 3.12(c) above Mr Panrucker was an officer of Thracian Australia from 10 May 2013 to 26 May 2013 and a director of Thracian Australia from 27 May 2013 to 14 August 2013. As referred to at paragraph 4.30 above, documents lodged with ASIC record Mr Panrucker as a director of Welcome Gold, from 6 May 2013 to 28 September 2015.
- 4.34 From at least 14 May 2013 to 29 July 2013 potential investors in shares of Thracian Australia were given documents titled "*Information Memorandum*". Versions of the Information Memoranda varied but they all conveyed that Thracian Australia had a "*50% interest in Welcome Gold which holds an option to acquire a 100% interest in two mining leases ("Welcome Mines") in the Charters Towers Region in Queensland*".
- 4.35 Potential investors in Thracian Australia were also given application forms instructing investors to deposit their funds into Thracian Australia's bank account.
- 4.36 The statement in the Information Memoranda referring to Thracian Australia's 50% interest in Welcome Gold was false. Thracian Resources, and not Thracian Australia, held a 50% shareholding in Welcome Gold.

- 4.37 The Information Memoranda issued by Thracian Resources (from at least 25 February 2013 to 6 May 2013) and Thracian Australia (from at least 14 May 2013 to 29 July 2013) all referred to the same mines and their exploitation. They each referred to the "*Welcome Mines in Charters Towers, Queensland*" which was "*30 kilometres south of the town of Charters Towers*" and with the identical characteristics of:
- (a) "Indicated Tonnes – 187000 – 24000;
  - (b) "Mining Lease 10125";
  - (c) "Area – 29 Hectares" and
  - (d) "Date of expiry – 31 March 2015 and can be renewed for a further 5 years" (the **Welcome Mines**).
- 4.38 The Information Memoranda issued by Thracian Australia represented that once Thracian Australia raised capital it would develop the Welcome Mines. However, there was no basis for making this representation because Thracian Australia did not have any interest in the Welcome Mines. Also, Thracian Resources had stated in its Information Memoranda that once it raised capital, it intended to develop these mines and obtain profit.
- 4.39 Mr Panrucker would have been aware of the facts and that representations in the Information Memoranda issued by Thracian Australia were false because he was:
- (a) Recorded as a director and one of three shareholders of Welcome Gold of which Thracian Resources and not Thracian Australia was a 50% shareholder;
  - (b) a director of Thracian Australia from 27 May 2013 to 14 August 2013 during which time Thracian Australia issued Information Memoranda;
  - (c) an officer of Thracian Australia from 10 May 2013 until he became director on 27 May 2013; and
  - (d) an officer of Thracian Resources from 11 December 2012 to 29 April 2013 during which time Thracian Resources issued its various Information Memoranda which stated that Thracian Resources intended to develop and profit from the Welcome Mines as referred to above.
- 4.40 Between 10 May 2013 and 26 July 2013, Thracian Australia raised approximately \$624,000 from approximately 34 shareholders.
- 4.41 None of the capital raised by Thracian Australia was used to develop any mine.



- 4.42 The Thracian Australia Information Memoranda made the following statements:
- (a) *"the directors reserved the right to pay a brokerage fee to an authorised person for the raising of capital ", and*
  - (b) *"there will be no fees paid to or accrued by Directors prior to the investments being acquired".*
- 4.43 The "investments" referred to in paragraph 4.42(b) above are the acquisition of mining leases and/or interest in those leases.
- 4.44 The Information Memoranda did not set out how these brokerage fees or directors' fees would be calculated or the terms of any payment.
- 4.45 From 24 May 2013 to 25 June 2013, Thracian Australia made four payments to Mr Panrucker totalling \$41,000. Three of these payments, totalling \$33,000, were paid to Mr Panrucker while he was a director of Thracian Australia. The other payment to Mr Panrucker occurred three days prior to his appointment as director.
- 4.46 Documents do not show that Mr Panrucker was entitled to this \$41,000 payment.
- 4.47 According to the Information Memoranda, Mr Panrucker was not entitled to be paid director's fees because Thracian Australia had not acquired any investments at the time of making any of the payments totalling \$41,000 to Mr Panrucker. In fact, Thracian Australia never did acquire any such investments.
- 4.48 On 9 July 2013, Thracian Australia paid \$242,000 to Ava Securities. At that time Mr Panrucker was director of both Thracian Australia and Ava Securities.
- 4.49 Mr Panrucker claims this payment was due to Ava Securities as a result of a sale between Thracian Australia and other companies. However the sale never occurred and there are no records to support this payment.
- 4.50 On 26 July 2013 Thracian Australia paid \$136,000 to Ava Securities. At the time Mr Panrucker was a director of both Thracian Australia and Ava Securities.
- 4.51 Mr Panrucker claims that this was a loan to Ava Securities. However, there are no records to support such a loan.
- 4.52 There are no records of the payment of brokerage fees from Thracian Australia to Ava Securities. If the receipt by Ava Securities of the total of \$378,000 was for commission, it was not for the benefit of Thracian Australia because it was 60% of the total Thracian Australia capital raising.

## 5. ASIC's Concerns

### Temple capital raising

- 5.1 As a result of the conduct relating to the Temple capital raising, ASIC is concerned that Ava Securities:
- (a) carried on a financial services business neither as an AFS Licence nor as an authorised representative of an AFS License holder from 9 April 2014 to 17 October 2014. ASIC is concerned that during this period Ava Securities contravened s911A(1) of the Act and that Ava Securities held out it was an authorised representative, contrary to s911C(c) of the Act;
  - (b) collected investors' money and placed it in its bank account although it was not entitled to do so as an authorised representative under the AR Agreement; and
  - (c) did not segregate investors' money from its own money. As a trustee of investors' money, Ava Securities would have been expected to segregate investor funds from its own money.
- 5.2 ASIC is concerned that Mr Panrucker as sole director of Ava Securities knew of the facts outlined at paragraphs 4.9 to 4.12 above and did not act with care and due diligence by allowing Ava Securities to retain \$368,700 of which it was not entitled. Accordingly, ASIC is concerned that Mr Panrucker is in breach of s180(1) of the Act.
- 5.3 Mr Panrucker was a director of Ava Securities and an officer of Temple and had a conflict of interest regarding any arrangement for Ava Securities to receive a fee for raising capital for Temple. ASIC is concerned that Mr Panrucker as an officer of Temple did not exercise his power and discharge his duties in good faith in the best interest of Temple and for a proper purpose when:
- (a) Mr Panrucker failed to document any agreement between Temple and Ava Securities whereby Ava Securities could raise capital for Temple. There is a draft unexecuted agreement between Ava Securities and Temple, but ASIC does not accept that this is sufficient;
  - (b) Even if the draft unexecuted agreement reflected the commission arrangements between Ava Securities and Temple, Ava Securities was not entitled to any commission in relation to the fundraise on the terms of the draft unexecuted agreement; and
  - (c) Accordingly, Temple paid \$133,000 to Ava Securities when it was not entitled to this money.

- 5.4 Accordingly, ASIC is concerned that Mr Panrucker, as an officer of Temple, used his position in Temple to gain an advantage for Ava Securities and caused a detriment to Temple. Accordingly, ASIC is concerned that Mr Panrucker has contravened ss181 and 182 of the Act.
- 5.5 Mr Panrucker, as an officer of Temple, knew of the facts outlined above at paragraphs 4.17 to 4.18, that is, that Temple did not have an interest in a mining lease or licence ELA 70-4529.
- 5.6 Accordingly, ASIC is concerned that Mr Panrucker did not act with care and diligence by allowing Temple to make false, misleading or deceptive statements in the Information Memorandum and contravened s180(1) of the Act.
- 5.7 ASIC is concerned that Temple offered securities to potential investors without a disclosure document in accordance with the Act or without keeping sufficient records to establish it was not required to do so.

#### **Thracian Australia capital raising**

- 5.8 Thracian Australia represented in its Information Memoranda that it held a 50% interest in Welcome Gold, which held an option to acquire a 100% interest in two mining leases in the Charters Towers region. This statement was inaccurate. Accordingly, ASIC is concerned that Thracian Australia has contravened s1041H of the Act.
- 5.9 Also, ASIC is concerned that Mr Panrucker, as a director of Thracian Australia, knew of the facts outlined at paragraphs 4.24 to 4.27, 4.34, 4.36 to 4.37 above and did not act with care and due diligence by allowing Thracian Australia to issue the misleading or deceptive Information Memoranda. Accordingly, ASIC is concerned that Mr Panrucker is in breach of s180(1) of the Act.
- 5.10 Thracian Australia made various payments to either Mr Panrucker or Ava Securities as referred to at paragraph 4.45 to 4.52 above. These payments from Thracian Australia were made while Mr Panrucker was either an officer or a director of Thracian Australia as referred to at paragraphs 3.11(b) and 3.12(c) above.
- 5.11 ASIC is concerned that neither Mr Panrucker nor Ava Securities were entitled to these payments. ASIC is concerned that Mr Panrucker did not act with care and due diligence by allowing Thracian Australia to make these payments. Accordingly, ASIC is concerned that Mr Panrucker is in breach of s180(1) of the Act.

### **Thracian Resources and Thracian Australia common register**

- 5.12 Thracian Resources and Thracian Australia shared a common member register and each company did not comply with s168 of the Act that requires a company to maintain a member register. The maintenance of a company's register of members is a basic corporate governance requirement.
- 5.13 Mr Panrucker was a director or officer of Thracian Resources and Thracian Australia during the time the companies maintained a common register as referred to at paragraphs 3.11(b), 3.12(b) and (c) above.
- 5.14 ASIC is concerned that Mr Panrucker did not act with care and due diligence by allowing Thracian Resources and Thracian Australia to maintain a common register. Accordingly, ASIC is concerned that Mr Panrucker is in breach of s180(1) of the Act.

## **6. Acknowledgement of ASIC's concerns**

- 6.1 Mr Panrucker and Ava Securities acknowledge:
- (a) ASIC's concerns as set out in paragraphs 5.1 to 5.14 above;
  - (b) that ASIC's concerns are reasonably held; and
  - (c) that it must comply with the requirements of this EU in order to address ASIC's concerns.

## **7. Undertakings**

- 7.1 Under s93AA of the ASIC Act, Mr Panrucker and Ava Securities have offered, and ASIC has agreed to accept as an alternative to pursuing administrative action, the undertakings in paragraphs 7.2 to 7.9 below.

### **Undertaking to cease providing financial services**

- 7.2 Mr Panrucker and Ava Securities each undertake that for a period of ten years from the time this undertaking is accepted, he/it will not:
- (a) carry on a financial services business;
  - (b) hold out that he/it holds an AFS Licence;
  - (c) provide financial services;
  - (d) apply to ASIC under s911A of the Act for an AFS Licence; or
  - (e) become an authorised representative of an AFS Licence holder.

**Undertaking to cease managing corporations and report to ASIC**

- 7.3 Mr Panrucker undertakes that for a period of seven years from the time this undertaking is accepted he will not hold a role in respect of any Australian corporations in which he:
- (a) is director or secretary;
  - (b) makes, or participates in making, decisions that affect the whole, or a substantial part, of the business of a corporation;
  - (c) has the capacity to affect significantly a corporation's financial standing; or
  - (d) communicates instructions or wishes to the directors of a corporation, who are accustomed to acting on his instructions or wishes (excluding advice given in the proper performance of functions attaching to his professional capacity or his business relationship with the directors or the corporation).

**Undertaking to complete director's course and notify ASIC**

- 7.4 After the expiration of the undertaking specified in paragraph 7.3 and prior to holding any role in an Australian corporation, Mr Panrucker undertakes that he will enrol and successfully complete a course for directors offered by the Australian Institute of Company Directors or its successors (AICD).
- 7.5 After the expiration of the undertaking in paragraph 7.3 and compliance with paragraph 7.4, Mr Panrucker further undertakes to notify ASIC within 28 days of holding any role in an Australian corporation by providing to ASIC a statutory declaration signed by himself, stating whether he has complied with paragraphs 7.3 and 7.4, annexing a copy of the EU and a certificate of successful completion of the AICD course for directors.
- 7.6 The statutory declaration referred to at paragraph 7.5 is to be provided to ASIC at the following address:

Senior Manager  
Corporations & Corporate Governance Enforcement  
Australian Securities and Investments Commission  
GPO Box 9827 SYDNEY NSW 2001

**Costs**

- 7.7 Mr Panrucker undertakes that he will pay the costs of his and Ava Securities' compliance with this EU.

**Provision of documents and information**

- 7.8 Mr Panrucker and Ava Securities will provide all documents and information requested by ASIC from time to time for the purpose of assessing compliance with this EU.

**8. Acknowledgements**

8.1 Mr Panrucker and Ava Securities acknowledge that ASIC:

- (a) will issue a media release on execution of this undertaking referring to its terms and to the concerns of ASIC which led to its execution;
- (b) may from time to time publicly refer to this undertaking; and
- (c) will make this EU available for public inspection.

8.2 Additionally, Mr Panrucker and Ava Securities acknowledge that:

- (a) ASIC's acceptance of this undertaking does not affect ASIC's power to investigate, conduct surveillance or pursue a criminal prosecution or its power to lay charges or seek a pecuniary civil order in relation to any contravention or any future conduct; and
- (b) this undertaking in no way derogates from the rights and remedies available to any other person or entity arising from any conduct described in this undertaking or arising from future conduct.

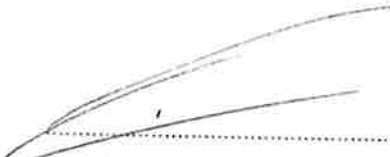
8.3 Further, Mr Panrucker and Ava Securities acknowledge that this undertaking has no operative force until accepted by ASIC, and all three parties to the undertaking acknowledge that the date of the EU is the date on which it is accepted by ASIC.

**Accepted by Daniel Reece Panrucker and Ava Securities Pty Ltd ACN 163 987 059**

  
.....  
Daniel Reece Panrucker


Date: ..... 26/11/17 .....

Executed by Ava Securities Pty Ltd ACN 163 987 059 in accordance with s127 of the *Corporations Act 2001* (Cth)

  
.....  
Signature of sole director  
Full name: Daniel Reece Panrucker

Date: ..... 26/11/17 .....

**Accepted by the Australian Securities and Investments Commission under s93AA of the ASIC Act by its duly authorised delegate:**

  
.....  
Name of Delegate: ..... *GEOREVE STOGDALE* .....  
Delegate of Australian Securities and Investments Commission  
Date: ...*11*...*JANUARY*...*2018*.....

