



**ASIC**

Australian Securities &  
Investments Commission

Commonwealth of Australia Gazette

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# ASIC Gazette

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#### RIGHTS OF REVIEW

Persons affected by certain decisions made by ASIC under the *Corporations Act 2001* and the other legislation administered by ASIC may have rights of review. ASIC has published Regulatory Guide 57 *Notification of rights of review* (RG57) and Information Sheet *ASIC decisions – your rights* (INFO 9) to assist you to determine whether you have a right of review. You can obtain a copy of these documents from the ASIC Digest, the ASIC website at [www.asic.gov.au](http://www.asic.gov.au) or from the Administrative Law Co-ordinator in the ASIC office with which you have been dealing.

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18—0344

ASIC

Australian Securities &amp; Investments Commission

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: LEXICON PARTNERS PTY LIMITED. ACN 094 477 059 ("Licensee")  
24 BENELONG CRES BELLEVUE NSW 2023

Pursuant to paragraph 915B(3)(d) of the Corporations Act 2001, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 247182 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated this 1<sup>st</sup> Day of August 2018

Signed

John Connor

A delegate of the Australian Securities and Investments Commission



18—0346

ASIC

Australian Securities &amp; Investments Commission

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: PAK FINANCE LTD ACN 010 728 882 ("Licensee")  
TWT ACCOUNTANTS UNIT 13 LEVEL 1  
197 – 207 BLOOMFIELD STREET  
CLEVELAND QLD 4163

Pursuant to paragraph 915B(3)(d) of the Corporations Act 2001, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 246854 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated this 1<sup>st</sup> Day of August 2018

Signed

John Connor

A delegate of the Australian Securities and Investments Commission



18—0347

ASIC

Australian Securities &amp; Investments Commission

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: FINANCIAL CHOICE PTY LTD A.C.N. 150 952 579 ("Licensee")  
UNIT 4 LEVEL 4 32 DELHI ROAD NORTH RYDE NSW 2113

Pursuant to paragraph 915B(3)(d) of the Corporations Act 2001, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 413567 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated this 1<sup>st</sup> Day of *August* 2018

Signed

John Connor

A delegate of the Australian Securities and Investments Commission



18—0348

ASIC

Australian Securities &amp; Investments Commission

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: NORTHBRIDGE FINANCIAL CONSULTING PTY LTD  
A.C.N. 105 149 059 ("Licensee")  
17 DALKEITH ST NORTHBRIDGE NSW 2063

Pursuant to paragraph 915B(3)(d) of the Corporations Act 2001, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 238851 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated this *1st* Day of *August* 2018

Signed *John J. Connor*  
John Connor

A delegate of the Australian Securities and Investments Commission



ASIC

Australian Securities &amp; Investments Commission

18-0490

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**


**Notice of Cancellation of an Australian Financial Services Licence**

TO: Insurics Pty Ltd  
ACN 000 613 221 ("the Licensee")  
PO Box 942  
CAMPBELLTOWN NSW 2560

Pursuant to paragraph 915B(3)(d) of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 246665 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Pursuant to section 915H of the Act, the Australian Financial Services Licence continues in effect while cancelled, as though the cancellation had not happened for the purposes of Division 6 of Part 7.8 of the Act, to the extent that it requires the Licensee to lodge an annual statement, balance sheet and auditors report with ASIC for the 2017/18 financial year

Dated 23 July 2018

Signed 

John Connor

A delegate of the Australian Securities and Investments Commission



ASIC

Australian Securities &amp; Investments Commission

18-0569

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: 1 Step Insurance Pty Ltd (ABN 32 605 401 919)  
Suite 5/24 Albert Road  
South Melbourne VIC 3205

Pursuant to paragraph 915B(3)(d) of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 475937 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated

17 July 2018

Signed

John Connor

A delegate of the Australian Securities and Investments Commission



18—0649

ASIC

Australian Securities &amp; Investments Commission

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: CHELCOR PTY LTD A.C.N. 119 619 573 ("Licensee")  
52 WERE STREET BRIGHTON VICTORIA 3186

Pursuant to paragraph 915B(3)(d) of the Corporations Act 2001, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 306896 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated this *August* 1<sup>st</sup> Day of 2018

Signed

  
John Connor

A delegate of the Australian Securities and Investments Commission



18-0656

**Australian Securities and Investments Commission  
Corporations Act 2001 – Subsection 741(1) – Declaration**

**Enabling legislation**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under subsection 741(1) of the *Corporations Act 2001* (the *Act*).

**Title**

2. This instrument is ASIC Instrument 18-0656.

**Commencement**

3. This instrument commences on the date it is signed.

**Cessation**

4. This instrument ceases to apply 12 months after the date on which the auditor of Brambles Limited ACN 118 896 021 signs its auditor's independence declaration as required under section 307C of the Act in respect of the financial report for the financial year ending 30 June 2018.

**Declaration**

5. Chapter 6D of the Act applies to Brambles Limited ACN 118 896 021 (the *issuer*) or a person who holds securities in the issuer as if the definition of "technical relief instrument" in section 9 of the Act as modified by *ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73* was further modified or varied by inserting the following in the table:

“

19.	an order under section 340 to the extent it relieves any person as auditor of the entity from the requirements of subsection 307C(3)(d).	
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”

**Where this instrument applies**

6. This instrument applies:
  - (a) in relation to an offer:
    - (i) by the issuer to issue ordinary shares in the issuer where the offer is made in accordance with section 708AA;
    - (ii) for the sale of ordinary shares in the issuer where the sale offer complies with section 708A of the Act; or

18-0656

- (iii) by the issuer to issue ordinary shares in the issuer where the offer complies with the requirements of Class Order [CO 09/425]; and
- (b) where no order under section 340 covered the issuer or any person as director or auditor of the issuer, except for an order made under ASIC Instruments 18-0654 and 18-0655 .

Dated this 26<sup>th</sup> day of July 2018



Signed by Stella Lee  
as a delegate of the Australian Securities and Investments Commission



ASIC

Australian Securities &amp; Investments Commission

18-0657

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: Red Capital Pty. Ltd.  
ACN 601 568 478 ("the Licensee")  
Suite 22  
50-56 Sanders Street  
UPPER MOUNT GRAVATT QLD 4122

Pursuant to paragraph 915B(3)(d) of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 467147 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated 26 July 2018

Signed .....

Floyd Williams  
a delegate of the Australian Securities and Investments Commission



ASIC

Australian Securities &amp; Investments Commission

18-0658

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: Baring Asset Management (Australia) Pty Limited  
ACN 003 116 434 ("the Licensee")  
C/- Wily Legal and Consulting Pty Ltd  
Suite 608  
Level 6  
109 Pitt Street  
SYDNEY NSW 2000

Pursuant to paragraph 915B(3)(d) of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 247166 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated 26 July 2018

Signed

Floyd Williams  
a delegate of the Australian Securities and Investments Commission



ASIC

Australian Securities &amp; Investments Commission

18-0659

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: Eqalex Underwriting Pty Ltd  
ACN 100 058 142 ("the Licensee")  
8/1 Fernhurst Avenue  
CREMORNE NSW 2090

Pursuant to paragraph 915B(3)(d) of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 302455 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated 27 July 2018

Signed

Floyd Williams  
a delegate of the Australian Securities and Investments Commission



ASIC

Australian Securities &amp; Investments Commission

18-0660

**Australian Securities and Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

TO: Drashta Capital Pty Ltd  
ACN 156 481 373 ("the Licensee")  
C/- Innoinvest  
GPO Box 1439  
SYDNEY NSW 2001

Pursuant to paragraph 915B(3)(d) of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels Australian Financial Services Licence number 451890 held by the Licensee, with effect from the date on which this notice is given to the Licensee.

Dated 26 July 2018

Signed .....

Floyd Williams  
a delegate of the Australian Securities and Investments Commission

18-0663

## Australian Securities and Investments Commission

## Corporations Act 2001 – Paragraph 655A(1)(a) – Exemption

## Enabling legislation

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under paragraph 655A(1)(a) of the Corporations Act 2001 (*Act*).

## Title

2. This instrument is ASIC Instrument 18-0663.

## Commencement

3. This instrument commences on 1 August 2018.

## Exemption

4. An Exempt Person and its Controllers do not have to comply with section 606 of the Act.

## Where this instrument applies

5. This instrument applies where:
  - (a) an Exempt Person and its Controllers acquire a relevant interest in the Shares as a result of the transfer of the Shares to the Exempt Person on implementation of the Court Order pursuant to the DOCA; and
  - (b) the Deed Administrators:
    - (i) made electronically available the Independent Expert's Report; and
    - (ii) notified all shareholders of ORL that they could obtain a copy of the Independent Expert's Report from the Deed Administrators,by way of announcement on the ASX market announcement platform on 9 July 2018.

## Interpretation

6. In this instrument:

**Controllers** means entities or persons who by operation of section 608 of the Act acquire a relevant interest in the Shares when an Exempt Person acquires a relevant interest in such Shares.

**Court Order** means the order of the Supreme Court of New South Wales dated 27 July 2018 under section 444GA of the Corporations Act permitting the Deed Administrators to transfer the Shares.

18-0663

**Deed Administrators** means Glen Kanevsky and Vaughan Strawbridge in their capacity as joint and several deed administrators of ORL pursuant to the DOCA.

**DOCA** means the deed of company arrangement approved by ORL's creditors and executed by, amongst others, ORL and the Deed Administrators on 13 April 2018, each in accordance with the Act.

**Exempt Person** means MCH, any wholly-owned subsidiary of MCH, or any company wholly-owned by Mr J W Vicars.

**Independent Expert's Report** means the independent expert's report dated 5 July 2018 prepared by Ian Jedlin and Joanne Lupton of KPMG Corporate Finance.

**MCH** means Manderrah Pty Ltd as trustee for the GJJ Family Trust (ABN 19 111 080 356).

**ORL** means OrotonGroup Limited (subject to Deed of Company Arrangement) ACN 000 038 675.

**Shares** means issued ordinary shares in ORL.

Dated this 1st day of August 2018



Signed by Jessica Reid  
as a delegate of the Australian Securities and Investments Commission



18-0666

## NOTICE UNDER SECTION 920E OF THE CORPORATIONS ACT 2001

Notice is given under section 920E of the *Corporations Act 2001* that the Australian Securities and Investments Commission has made a banning order in the terms set out below, which order took effect on 24 July 2018.

## AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

## IN THE MATTER OF BRODY GLENN JARMAN

SECTIONS 920A AND 920B  
OF THE CORPORATIONS ACT 2001

To: Mr Brody Glenn Jarman

**TAKE NOTICE** that under sections 920A(1) and 920B(2) of the *Corporations Act 2001* the Australian Securities and Investments Commission prohibits **BRODY GLENN JARMAN** from providing any financial services permanently.

Dated this 20<sup>th</sup> day of July 2018.



Signed:

Lisa Lu  
Delegate of the Australian Securities and Investments Commission

Your attention is drawn to subsection 920C(2) of the *Corporations Act 2001* which provides that a person must not engage in conduct which breaches a banning order that has been made against the person. Contravention of subsection 920C(2) is an offence.



18-0667

**ASIC**

Australian Securities &amp; Investments Commission

**Australian Securities & Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

**TO:** Eurofinance Capital Limited ("the AFS Licensee")  
ACN 101 785 282  
Level 10  
19-31 Pitt Street  
SYDNEY NSW 2000

Pursuant to section 915B of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels AFS Licence Number 241456 held by the AFS Licensee with effect from the date on which this notice is given to the AFS Licensee.

Dated this 30 July 2018.

Signed

Floyd Williams, a delegate of the Australian Securities and Investments Commission



Australian Government

Takeovers Panel

18-0668

**CORPORATIONS ACT**  
**SECTION 657A**  
**DECLARATION OF UNACCEPTABLE CIRCUMSTANCES**

**MOLOPO ENERGY LIMITED 10 & 11<sup>1</sup>**

**CIRCUMSTANCES**

1. Molopo Energy Limited (**Molopo**) is an ASX listed entity. Its shares have been suspended since 27 July 2017 as a result of failing to satisfy ASX's requirement for a sufficient level of operations.
2. On 27 July 2017, Aurora Funds Management Limited as responsible entity of the Aurora Fortitude Absolute Return Fund (**Aurora**) announced an off-market takeover bid for Molopo offering consideration valued at \$0.18 per share payable in cash (capped at \$5 million in total) or unquoted units in the Aurora Fortitude Absolute Return Fund.
3. On 22 August 2017, Molopo announced that it had acquired 50% of the shares in Orient FRC Ltd (**Orient**) for US\$7 million from Dr Gil Feiler pursuant to a share sale agreement executed on 25 July 2017. The announcement stated that Orient would participate in an exploration and development project, pursuant to an exploration and development agreement (**EDA**) with Kerogen Florida Energy Company LP (**Kerogen**), for up to a 50% working interest to explore for oil and gas in a mature oil province in South Florida, U.S.A. (the **Orient Project**). None of the current directors of Molopo, being those elected on 31 May 2018 (the **Current Directors**), or Messrs Baljit Johal, Matthew Cudmore and Richard Matthews (the **Former Directors**) were on the board of directors of Molopo at the time the Orient transaction was executed or announced.
4. On 12 September 2017, Aurora withdrew its previously announced proposed bid on the basis that Molopo's acquisition of shares in Orient triggered a proposed defeating condition of the bid and announced a revised bid offering reduced consideration valued at \$0.135 per share to reflect the estimated value dilutive impact of the Orient transaction and the operating losses incurred during the half year ended 30 June 2017.

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<sup>1</sup> The Panel is still considering the application in *Molopo Energy Limited 11* seeking a variation of the final orders made in *Molopo Energy Limited 03R, 04R & 05R* [2017] ATP 12 to allow Aurora to be able to vote Aurora's shares in Molopo that are currently vested in the Commonwealth of Australia. The decision in *Molopo Energy Limited 03R, 04R & 05R* is currently subject to a Federal Court application dated 8 September 2017 for judicial review made under section 5 of the *Administrative Decisions (Judicial Review) Act 1977* (Cth) and section 39B of the *Judiciary Act 1903* (Cth) by Aurora Funds Management Limited as responsible entity for Aurora Global Income Trust and Aurora Fortitude Absolute Return Fund

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5. Aurora lodged its bidder's statement on 26 October 2017. One of the defeating conditions of Aurora's bid is that Molopo does not incur or commit to any capital expenditure or liability for one or more related items of greater than \$2 million (unless previously announced or consented to by Aurora). Aurora's bid is currently scheduled to close on 20 June 2018 (unless withdrawn or further extended).
6. On 8 November 2017, WAM Capital Limited (**WAM**) announced a proposed competing off-market takeover bid for Molopo at \$0.135 per share cash and subject to similar conditions as the Aurora bid.
7. On 24 November 2017, Aurora made an application to the Panel submitting that a payment proposed by Molopo would trigger the 'no material capital commitment or liability' defeating condition and, if made, would frustrate Aurora's takeover bid. The Panel considered that Aurora was sufficiently put on notice by Molopo's 22 August 2017 announcement that some such payment was likely.<sup>2</sup> Factors relevant to the Panel's decision included submissions by Molopo to the effect that "*Molopo would make announcements as are required to update the market at the appropriate time*" and "*it is in the nature of an oil exploration venture that drilling and other costs, and the timing of such costs, vary and such variations are not always sufficiently material to warrant additional disclosure*".<sup>3</sup>
8. On 28 November 2017, Molopo released its target's statement in which Molopo's directors unanimously recommended that shareholders reject Aurora's bid. Molopo's directors at the time did not include any Current Directors or Former Directors, except Messrs Johal and Cudmore.
9. On 11 December 2017, Molopo announced that it had advanced Orient US\$4.5 million by way of shareholder loan. Molopo's directors at the time did not include any Current Directors but included all the Former Directors.
10. The 11 December 2017 announcement stated that the payment part satisfied the expected requirement that Orient hold funds of at least US\$20 million, being the estimated contract value for the drilling program, to demonstrate to the proposed operating partner that Orient had the financial capacity to comply with its obligations and progress the Orient Project. The announcement referred to the requirement under the terms of the EDA for Orient to spud the first commitment well by no later than 1 May 2018.
11. To date, no funds have been spent on spudding the first commitment well. The US\$4.5 million was applied<sup>4</sup> as follows:
  - (a) on 7 December 2017 and 13 December 2017, US\$190,000 and US\$310,000 respectively was paid to representatives of ESGM Investments Limited (said to be Dr Feiler's special purpose vehicle) (**ESGM**) for the reimbursement of lease renewal and land management payments made by or on behalf of ESGM (that, as at those dates, Molopo had yet to contribute to)
  - (b) on 28 December 2017, US\$2 million was deposited with Drawbridge Energy Operations & Management LLC, who were providing operating services at that

<sup>2</sup> See *Molopo Energy Limited* 09 [2017] ATP 22

<sup>3</sup> At [23]

<sup>4</sup> As submitted by Molopo

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time, with such funds utilised for the renewal of existing leases and the acquisition of new leases

- (c) on 9 February 2018, US\$1.955 million was utilised as part of the redemption payment of US\$7 million for the acquisition of the shares in Orient held by ESGM (see paragraph 20) and
  - (d) US\$45,000 was utilised for miscellaneous and ancillary expenses (including land management payments).
12. On 4 January 2018, WAM withdrew its proposed bid on the basis that the additional expenditure commitments announced by Molopo on 11 December 2017 triggered the 'no material transactions' condition of its proposed bid.
  13. On 12 January 2018, Aurora announced an intention to increase its bid consideration to \$0.153 per share if Aurora's relevant interest exceeded 30% (by number), all of the defeating conditions were fulfilled or waived,<sup>5</sup> Molopo did not spend any further funds on the Orient Project and Molopo did not breach the 'no material capital commitment or liability' condition.
  14. On 19 January 2018, Molopo issued its first supplementary target's statement noting that a condition to Aurora's conditional increase could not be satisfied because Molopo would be required to fund further amounts in relation to the Orient Project as previously announced, including in its 11 December 2017 announcement. Molopo's directors at the time did not include any Current Directors but included all the Former Directors.
  15. On 1 February 2018, Molopo released its activities and cashflow statement for the quarter ending 31 December 2017 showing cash and cash equivalents at the end of the quarter of \$48.021 million and estimating total cash outflows for the next quarter of \$1.9 million.
  16. On 21 February 2018, Molopo responded to an ASX query letter in which it indicated that the US\$4.5 million loaned to Orient would be used when required to comply with its obligations under the EDA and confirmed that Molopo was in compliance with its continuous disclosure requirements in ASX Listing Rule 3.1.
  17. On 19 March 2018, Molopo issued its second supplementary target's statement in which Molopo's directors reiterated reasons previously relied upon for rejecting Aurora's bid. Molopo's directors at the time did not include any Current Directors but included all the Former Directors.
  18. On 23 April 2018, Molopo responded to a further ASX query letter with questions relating to the Orient Project. It disclosed that Drawbridge Energy Operations & Management LLC had been appointed as "operator" under the EDA and that Dr Feiler had not to date executed any shareholder loan agreement with Orient.
  19. On 30 April 2018, Molopo announced a clarification to its 22 August 2017 announcement confirming that the resources reported in the report from Morning Star Consultants, LLC (**Morning Star**) dated 1 June 2017 referred to in that announcement *"were reported for the benefit of [Kerogen] which classified the resources*

<sup>5</sup> Aurora indicated at that time that its intention would be to waive the 50% minimum acceptance condition if Aurora were to have a relevant interest in more than 30% (by number)



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applicable to the Orient Project as 'prospective resources'" and that Morning Star subsequently prepared a revised report for Molopo "on the basis that Molopo had completed the acquisition of its interest in the Orient Project (ie. to report on these resources as of 25 July 2017 when Molopo acquired an interest in Orient)". The announcement stated that Morning Star issued a report to the directors of Molopo dated 18 September 2017 which upgraded the classification of the resource volumes applicable to the Orient Project from "prospective resources" to "contingent resources" as of 25 July 2017.

20. On 8 May 2018, Molopo made an ASX announcement disclosing the following actions (Molopo's board at the time consisted of the Former Directors):
  - (a) on 31 January 2018, Orient had redeemed all of the shares in Orient held by ESGM for a redemption amount of US\$7 million
  - (b) during the first quarter of 2018, Molopo (or its subsidiaries) provided total funding to Orient of US\$23.5 million, in addition to the US\$4.5 million provided in December 2017. Of this total amount, US\$7 million was used to fund the redemption of the shares in Orient held by ESGM and US\$21 million was used to fund an intercompany loan from Orient to its wholly owned subsidiary, Orient FRC (US) LLC (**Orient US**)
  - (c) on 21 February 2018, Orient entered into a contribution agreement with a BVI entity, Drawbridge Energy Holdings Ltd (**Drawbridge Holdings**), pursuant to which it agreed to (i) assign Orient's interest in the Orient Project to Orient US at completion and (ii) transfer its 100% interest in Orient US to Drawbridge Holdings, in consideration for receipt of a 30% non-voting interest in Drawbridge Holdings (the **Combination Transaction**)
  - (d) completion of the Combination Transaction occurred on or about 7 March 2018
  - (e) following completion of the Combination Transaction, the loan from Orient to Orient US was extinguished
  - (f) following completion of the Combination Transaction, Molopo stated that it had gained (via Orient's 30% interest in Drawbridge Holdings) a diversified oil and gas exploration portfolio with indirect interests in several oil and gas projects in Texas, U.S.A. and
  - (g) on 25 April 2018, Kerogen provided an extension to 1 April 2019 in respect of the drilling deadline for the first commitment well set out in the EDA, subject to a number of conditions including that the application for a drilling permit must be filed on or before 1 August 2018.
21. Following completion of the Combination Transaction, Molopo had approximately \$16.904 million of cash available to it as at 31 March 2018.
22. The Former Directors of Molopo did not obtain any independent valuations regarding any of the actions announced on 8 May 2018<sup>6</sup> and, in relation to the

<sup>6</sup> In respect of Orient, Molopo submitted that the Former Directors had the benefit of existing reports referring to reports dated 11 June 2015, 1 June 2017 and 18 September 2017 (see paragraph 19 regarding the two later reports)

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Combination Transaction, did not seek third party valuation assistance for due diligence, instead relying on their own analysis.

23. On 11 May 2018, ASX notified Molopo that ASX considered the Orient transaction announced on 22 August 2017 (as modified by the announcement on 8 May 2018) to be a significant change to the nature or scale of Molopo's activities and ASX has exercised its discretion under Listing Rule 11.1.2 to require that transaction to be approved by Molopo shareholders and under Listing Rule 11.1.3 to require Molopo to satisfy the requirements in Chapters 1 and 2 of the Listing Rules as if it were applying for admission to the official list. Further, ASX advised that it considered that Molopo had committed serious breaches of the ASX Listing Rules and may also have breached ss1041H and 1309<sup>7</sup> for making misleading disclosures to ASX.
24. On 18 May 2018, following Aurora's application to the Panel, Molopo advised its shareholders that it intended to seek shareholder approval and satisfy the ASX readmission requirements, as described above.
25. On 28 May 2018, Molopo released its third supplementary target's statement outlining its recent announcements and events and stated that its directors continue to unanimously recommend that shareholders reject Aurora's bid. Molopo's board at the time consisted of the Former Directors.
26. In light of Molopo's announcement on 8 May 2018, Molopo has failed to provide supplementary target's statement disclosure in compliance with s644 following each of the new circumstances described in paragraph 20.
27. As a result, the target's statement dated 28 November 2017, first supplementary target's statement dated 19 January 2018 and second supplementary target's statement dated 19 March 2018 contain, or until the third supplementary target's statement was released contained, omissions and misleading and deceptive information.
28. The third supplementary target's statement also contains insufficient or misleading information regarding (among other things):
  - (a) each new circumstance and the effect of each circumstance on Molopo shareholders' continuing shareholdings in Molopo
  - (b) Drawbridge Holdings and its assets
  - (c) the controlling shareholder(s) of Drawbridge Holdings
  - (d) the Molopo directors' recommendations with respect to Aurora's bid, noting that certain factual circumstances previously relied upon have changed materially and/or no longer apply and
  - (e) the effect or consequences if the shareholder approval described above is not obtained.
29. The actions announced by Molopo on 8 May 2018 triggered several conditions of Aurora's bid. By virtue of Molopo taking those actions, Aurora's bid may be withdrawn or lapse.

<sup>7</sup> Unless otherwise indicated, all statutory references are to the *Corporations Act 2001* (Cth), and all terms used in Chapter 6 or 6C have the meaning given in the relevant Chapter (as modified by ASIC)

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30. By failing to disclose promptly and properly the actions announced on 8 May 2018, in addition to not seeking shareholder approval or making the actions conditional on shareholder approval, Molopo has not offered shareholders a choice between those actions and Aurora's bid (or any potential competing bids).

**EFFECT**

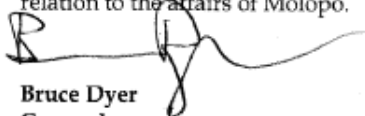
31. It appears to the Panel that the acquisition of control, or potential control, of Molopo has not taken place in an efficient, competitive and informed market and Molopo shareholders have not been given enough information to enable them to assess the merits of Aurora's bid.
32. Molopo shareholders have not had a reasonable and equal opportunity to participate in any benefits accruing under Aurora's bid.
33. The Former Directors of Molopo by their action, including such action which may cause or contribute to Aurora's bid not proceeding, have not given all shareholders of Molopo reasonable and equal opportunity to participate in any benefits accruing under Aurora's bid.

**CONCLUSION**

34. It appears to the Panel that the circumstances are unacceptable circumstances:
- (a) having regard to the effect that the Panel is satisfied they have had or are having on:
    - (i) the control, or potential control, of Molopo or
    - (ii) the acquisition, or proposed acquisition, by a person of a substantial interest in Molopo
  - (b) in the alternative, having regard to the purposes of Chapter 6 set out in s602
  - (c) in the further alternative, because they constituted, constitute, will constitute or are likely to constitute a contravention of a provision of Chapter 6.
35. In having regard to the purpose set out in paragraph 602(c), the Panel has taken into account the action of the Former Directors of Molopo, including any such action which may cause or contribute to Aurora's bid not proceeding.
36. The Panel considers that it is not against the public interest to make a declaration of unacceptable circumstances. It has had regard to the matters in section 657A(3).

**DECLARATION**

The Panel declares that the circumstances constitute unacceptable circumstances in relation to the affairs of Molopo.



**Bruce Dyer**  
Counsel  
with authority of Christian Johnston  
President of the sitting Panel  
Dated 8 June 2018





Australian Government

Takeovers Panel

18-0669

CORPORATIONS ACT  
SECTION 657D  
ORDERS

MOLOPO ENERGY LIMITED 10 & 11

The Panel made a declaration of unacceptable circumstances on 8 June 2018.

THE PANEL ORDERS

1. Within 10 business days of this order, Molopo must pay to Aurora \$46,476.66 representing the out-of-pocket fees and expenses incurred by Aurora in relation to the Takeover Bid from 1 January 2018 up and until the date of this order. If the Takeover Bid is declared unconditional and Aurora obtains voting power of more than 50%, Aurora must repay all monies received under this Order 1.
2. Within 10 business days of this order, Molopo must pay to Aurora \$24,105.00 representing the costs actually, necessarily, properly and reasonably incurred by Aurora in the course of the proceedings.

3. In these orders the following terms apply:

<b>Aurora</b>	Aurora Funds Management Ltd, including as responsible entity for the Aurora Fortitude Absolute Return Fund
<b>Molopo</b>	Molopo Energy Limited
<b>Takeover Bid</b>	Aurora's off-market takeover bid for Molopo announced on 12 September 2017

Allan Bulman  
Director  
with authority of Christian Johnston  
President of the sitting Panel  
Dated 18 July 2018



Australian Government

Takeovers Panel

18-0670

**CORPORATIONS ACT**  
**SECTION 657A**  
**DECLARATION OF UNACCEPTABLE CIRCUMSTANCES**

**REALM RESOURCES LIMITED****CIRCUMSTANCES**

1. Realm Resources Limited (**Realm**) is an ASX listed company (ASX code: RRP).
2. Foxleigh is an open cut mining operation near Middlemount in Queensland's Bowen Basin. On 30 August 2016, Realm announced that its subsidiary had acquired (among other assets) a 70% interest in Foxleigh from Anglo American Metallurgical Coal Assets Pty Ltd.
3. On 13 September 2016, Realm requested a voluntary suspension from trading and sought ASX's determination on the application of Chapter 11 of the Listing Rules to the transaction. ASX decided that Realm was required to comply with Chapters 1 and 2 of the Listing Rules as if it were applying for admission to the official list and ASX included a requirement that Realm obtain shareholder approval and have a free float of not less than 20% of the shares on issue.
4. At all relevant times, Taurus Funds Management Pty Limited as manager of Taurus Resources No. 2 LP and Taurus Resources No. 2 Trust (together, **T2**), held over 85% of Realm's ordinary shares.
5. At all relevant times, Messrs Gordon Galt and Michael Davies, nominees of T2, were directors of Realm. Mr Galt was Realm's chairman.
6. Realm began considering ways in which it could satisfy the 20% free float requirement. It decided on a capital raising in which T2 would not participate. On 8 June 2017, T2 signed a statement confirming its intention to support the capital raising.
7. Between 15 June 2017 and 13 July 2017 Realm shares were reinstated to trading ahead of a shareholders' meeting. The shares were then suspended again (and remain suspended) pending compliance with Chapters 1 and 2 of the Listing Rules.
8. On 14 July 2017, Realm shareholders approved on a show of hands:
  - (a) a capital raising to enable Realm to meet the 20% free float requirement (no price or date was set) and
  - (b) the acquisition of Foxleigh.
9. From time to time Realm kept the market updated on its re-listing. On 9 October 2017, Realm announced to the market that the re-listing was "*unlikely to occur before early 2018*".

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10. Up until at least 23 November 2017, the nominees of T2 on the Realm board appear to have been supportive of the timetable for the capital raising. The minutes of the meeting on 23 November 2017 state that the board was presented with the proposed timeline for "prospectus and re-listing timetable with a view to re-listing in early March 2018", and that:

*[Mr Galt] confirmed the timeline is acceptable however he needs to see the [broker's] valuation before he instructs the [due diligence committee] to reconvene.*

11. On 30 November 2017, an internal briefing paper was presented to certain members of the T2 Investment Committee (but not to Mr Galt or Mr Davies). The paper:
- (a) proposed "a friendly takeover offer for Realm's minority shareholders"
  - (b) stated that "The objective of the transaction is to secure as large a shareholding in [Realm] as possible and take private"
  - (c) stated that "Given T2 already has a majority shareholding, a traditional control premium is not considered relevant"
  - (d) suggested an indicative offer price of \$1.00 was being considered and
  - (e) stated that T2 would seek to delist Realm if it did not achieve 100% ownership and would make its intentions clear in the bidder's statement.
12. On or around 2 December 2017, the T2 Investment Committee approved the transaction with an offer price of \$1.00.
13. On or before 5 December 2017, T2 had put in place information barriers excluding Mr Galt and Mr Davies from deliberations and decisions in respect of the bid.
14. An email to the Realm board, including to Mr Galt and Mr Davies, on 11 December 2017, further discussed the capital raising timetable indicating a need to settle the terms of the capital raising by 22 December 2017.
15. At 4.51pm on 15 December 2017, T2 made a non-binding indicative proposal to acquire all the Realm shares it did not own for \$0.90 per share.
16. A T2 internal briefing paper dated 15 December 2017 stated "The offer will be presented to Realm shareholders as a choice between immediate liquidity or remaining a shareholder in an illiquid entity. T2's intentions to seek a de-listing of Realm from the ASX will be made clear in its Bidder's Statement."
17. On 16 December 2017, Realm established a subcommittee to respond to the proposal (and any subsequent takeover offer).<sup>1</sup>
18. On 25 January 2018, a paper on the proposed takeover bid was presented at a T2 Advisory Board Meeting stating, similar to the statements on 29 November and 15

<sup>1</sup> The subcommittee comprised two directors (James Beecher and Staffan Ever) and the company secretary. Staffan Ever was subsequently replaced by Michael Rosengren.

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December 2017, "The objective of the transaction is to secure as large a shareholding in Realm as possible and take private. The offer will be presented to Realm shareholders as a choice between immediate liquidity or remaining a shareholder in an illiquid entity".

19. The paper also noted that "Since completing the acquisition, Realm has introduced a new plan of operations at Foxleigh which has resulted in the mine achieving record levels of production and a significant reduction in unit operating costs. Coupled with improving coal prices this has allowed Realm to generate over \$100m in free cash flow from Foxleigh since acquisition."
20. On 31 January 2018, at the Realm board meeting, Mr Galt, indicated that he would not support the re-listing of Realm on ASX. The minutes note a declaration of Messrs Galt and Davies because of the non-binding proposal and state:  
  
*[Mr Rosengren] requested a mandate to continue the relisting process as market previously informed as waiting for new Managing Director to start. [Mr Galt] stated that he would not support relisting on ASX as did not believe coal assets were appropriately valued nor was there access to capital, compared to other jurisdictions. [Mr Beecher] requested a sub-committee be formed to progress the capital raise in order to nullify any potential conflict issues. [Messrs Galt and Davies] advised they are not conflicted, [Mr Beecher] disagreed. [Mr Galt] indicated that there was no rush as likely that Proposal would pass some milestones in next 2 weeks and that there would not be a need for relisting. [Mr Davies] advised the meeting on the likely timetable for the bidding process, pointing out that the capital raise was unlikely to occur before August.*
21. Mr Galt reiterated his objection to continuing the re-listing process at subsequent board meetings on 22 February 2018 and 30 April 2018.
22. On 9 February 2018, T2 announced its intention make an off-market takeover bid to acquire all the Realm shares it did not own for \$0.90 per share. The bid would be subject to prescribed occurrences not occurring such as Realm issuing new shares.
23. In response, the independent subcommittee released an announcement recommending that shareholders take no action ahead of further guidance from Realm. Messrs Davies and Galt took issue with the release of the announcement without the full board having had an opportunity to review it first. Mr Davies raised concerns with the statement in the announcement that the company thought the price offered by T2 is too low, rather than the independent subcommittee, and queried why he and Mr Galt had not seen any advice on the value of Realm.
24. The minutes of a Realm board meeting held on 22 February 2018 noted that Mr Galt "recommended advising the market that the relisting process is suspended until there is a resolution of the takeover offer" and both he and Mr Davies "indicated that progressing the relisting was a waste of money and a distraction while the bid was underfoot as the bid had restrictions on triggering relisting." Mr Galt also stated that "he had not seen the bidders statement, but the bidders statement could contain words to the effect that should the takeover not succeed the board could be spilled and a vote for delisting passed."
25. On 23 February 2018, the bidder's statement was released. It included an offer on conditions as in paragraph 22. It included statements to the effect that:

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- (a) there was no certainty when re-listing of Realm shares might occur and the offer provided shareholders with certainty by comparison
  - (b) T2 intended to compulsorily acquire the outstanding Realm shares if it became entitled to; and if not would seek to replace some or all of the current directors with its nominees and
  - (c) T2 did not support Realm's continued listing, would not support the capital raising, and would cause Realm to apply for de-listing.
26. In the letter to shareholders in T2's bidder's statement, Mr Martin Boland on behalf of T2 said:
 

*If you do not accept the Offer and the Bidder does not compulsorily acquire the Realm Shares which have not been accepted into the Offer, you will remain a minority shareholder in Realm. In that circumstance, given Realm's likely ongoing suspension from trading on the ASX and the Bidder's intention to cause Realm to apply for removal of Realm from the official list, you may not be able to readily sell your shareholding.*
27. On 29 March 2018, Realm released its target's statement recommending rejection of the offer. The independent expert's report attached to the target's statement concluded that the bid was neither fair nor reasonable (on a control basis), and the estimated fair market value for Realm shares was between \$1.62 and \$1.92 per share.
28. On 11 April 2018, Mr Galt advised Realm's company secretary that T2 wanted to include resolutions for the appointment of 2 new directors in the notice of meeting for the Realm AGM scheduled for 31 May 2018. The two additional directors were elected on 31 May 2018.
29. On 30 April 2018, Realm held a board meeting. Mr Galt advised the board that he did not "support the tabled resolution to progress the capital raise." This was because "in his view
  - the capital raise is not timely and should only be considered when the bid was completed
  - he will not sign off on \$1.00 raising price
  - the process is going to take less than six weeks when it starts, and
  - costs associated with proceeding with the capital raising as proposed are unknown."
30. Messrs Galt and Davies voted against the resolution to proceed with the capital raising at this time. A majority of the Realm board voted to proceed. Mr Galt advised the Board that he would call a board meeting, to take place immediately following the AGM, to cancel the resolution. This board meeting was ultimately cancelled by Mr Galt.
31. As recently as 12 March 2018, the independent subcommittee advised shareholders that it was "continuing with the preparations for the capital raising and re-listing in parallel with responding to the bid."
32. A report prepared by Realm's broker dated 19 April 2018 included a valuation of Realm of \$1.21 per share (this did not include a premium for control). On 2 May



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2018, Messrs Galt and Davies suggested to the independent subcommittee that the market should be made aware of the broker valuation to ensure Realm complied with its continuous disclosure obligations. Mr Galt also suggested that such an announcement should include a statement that T2 did not support the capital raising.

33. On 15 May 2018, T2 released a third supplementary bidder's statement increasing the offer price to \$1.00 per share.
34. On 21 May 2018, in the second supplementary target's statement, Realm's non-affiliated directors continued to recommend that shareholders reject T2's bid *"for the reasons set out in section 1 of the Original Target's Statement"*. In the Original Target's Statement, the reasons included that there were other potential alternatives, including *"a re-listing of Realm Shares on ASX."*
35. The Panel considers that, in combination:
  - (a) the continuing suspension of Realm, which denied shareholders a market and a readily observable value for Realm shares in light of market developments
  - (b) the recognition by T2 of the improved financial and operational position of Realm since the Foxleigh Acquisition which likely increased the value of Realm, including as described in paragraph 19 of this declaration
  - (c) T2 changing its position from actively supporting the re-listing to actively opposing it
  - (d) the intention of T2 to remove Realm from the official list whether or not its takeover bid results in it reaching the threshold for achieving compulsory acquisition
  - (e) the active steps taken by the nominees of T2 on the Realm board to stop the re-listing, including the matters described in paragraph 30 of this declaration
  - (f) the statements in the bidder's statement referred to in paragraphs 25 and 26 of this declaration and
  - (g) the nomination of the additional directors of Realm (which directors were elected at Realm's AGM) which would ensure the intentions of T2 could be given effect to,

had the potential to coerce Realm shareholders to accept the T2 bid.

#### EFFECT

36. It appears to the Panel that the acquisition of control over voting shares in Realm has not taken place in an efficient, competitive and informed market, and Realm shareholders have not been given enough information to enable them to assess the merits of T2's bid.


## CONCLUSION

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37. It appears to the Panel that the circumstances are unacceptable circumstances:
- (a) having regard to the effect that the Panel is satisfied they will have or are likely to have on:
    - (i) the control, or potential control, of Realm or
    - (ii) the acquisition, or proposed acquisition, by a person of a substantial interest in Realm
  - (b) in the alternative, having regard to the purposes of Chapter 6 set out in section 602 of the *Corporations Act 2001* (Cth) (Act).
38. The Panel considers that it is not against the public interest to make a declaration of unacceptable circumstances. It has had regard to the matters in section 657A(3).

## DECLARATION

The Panel declares that the circumstances constitute unacceptable circumstances in relation to the affairs of Realm.



Bruce Dyer  
Counsel  
with authority of Rod Halstead  
President of the sitting Panel  
Dated 28 June 2018



Australian Government

Takeovers Panel

18-0671

**CORPORATIONS ACT  
SECTION 657D  
ORDERS**

**REALM RESOURCES LIMITED**

The Panel made a declaration of unacceptable circumstances on 28 June 2018.

**THE PANEL ORDERS**

1. The terms of the offer dated 14 March 2018 by T2 Resources Fund Pty Limited (**T2**) to acquire fully paid ordinary shares in Realm Resources Limited (**Offer**) and all takeover contracts resulting from the Offer are varied to extend the offer period to close at 7pm (Sydney time) on 3 August 2018.
2. A person who accepts the Offer by 7pm (Sydney time) on 2 July 2018 may withdraw their acceptance on the same terms that would have applied under s650E of the Corporations Act 2001 (Cth) had T2 varied the Offer to close at 7pm (Sydney time) on 3 August 2018.
3. T2 must as soon as practicable take all action and give all notices that would have been required under sections 650D and 650E of the Corporations Act 2001 (Cth) had T2 varied the Offer to close at 7pm (Sydney time) on 3 August 2018.
4. Parties have liberty to apply for further orders.

Bruce Dyer  
Counsel  
with authority of Rod Halstead  
President of the sitting Panel  
Dated 29 June 2018





18-0673

ASIC

Australian Securities &amp; Investments Commission

**Australian Securities & Investments Commission  
Corporations Act 2001 Section 915B**

**Notice of Cancellation of an Australian Financial Services Licence**

**TO:** H and H Wealth Management Pty Ltd ("the AFS Licensee")  
ACN 610 941 127  
Tower B, Level 4  
799 Pacific Hwy  
CHATSWOOD NSW 2067

Pursuant to section 915B of the **Corporations Act 2001**, the Australian Securities and Investments Commission hereby cancels AFS Licence Number 485447 held by the AFS Licensee with effect from the date on which this notice is given to the AFS Licensee.

Dated this 31 July 2018.

Signed

Floyd Williams, a delegate of the Australian Securities and Investments Commission

18-0674

## AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

PART 9.4AA OF THE CORPORATIONS ACT  
INFRINGEMENT NOTICE**To:**

Gold Mountain Limited ACN 115 845 942  
Suite 2501, Level 25  
31 Market Street  
SYDNEY NSW 2000

**TAKE NOTICE:** The Australian Securities and Investments Commission (ASIC) hereby issues an Infringement Notice to Gold Mountain Limited ACN 115 845 942 (**Gold Mountain**) under subsection 1317DAC(1) of the *Corporations Act 2001* (the **Act**). This Infringement Notice requires Gold Mountain to:

- (i) pay a penalty to ASIC, on behalf of the Commonwealth, in the sum of \$33,000 (the **Penalty**).

This Infringement Notice is issued on **19 July 2018**.

**Referral from the Australian Securities Exchange (ASX)**

This matter arose as a result of a referral from the ASX to ASIC.

**DETAILS OF THE ALLEGED CONTRAVENTION****The Facts**

Gold Mountain is an Australian registered company whose principal activities are the acquisition, exploration and development of prospective areas for gold and other resources and minerals in Australia and Papua New Guinea, among others.

Gold Mountain was admitted to the official list of the ASX Limited (**ASX**) on 30 August 2011.

Gold Mountain's mining and exploration activities were subject to the additional requirements for reporting under ASX Listing Rule 5 and, under Appendix 5A, to the Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves Code 2012 (known as the **JORC Code**).

On 27 July 2017, an article titled, '*Is GMN another Lihir*' (**the Article**) was sent to Gold Mountain's shareholders. Later the same day, the Article was posted on the internet stock market site 'Hot Copper'.

The Article referred to the results of the sampling of Gold Mountain's Pit 200 in Papua New Guinea, which was a significant project for the company. The results had been

released to the market in earlier ASX Market Announcements which had complied with the JORC Code. The Article contained the following statements about Gold Mountain's production targets, forecast revenue and financial capacity:

*'If the sample from Pit 200 .. is found to apply to this 12.5 million m3 target zone, the mineralization under the JORC code would be = 8,750,000 grams of gold. That's 281,350 ounces.*

*At today's \$1200/oz, that's \$337,000,000 in mineable gold. It's \$337 million in future revenues if you start mining'*

*'GMN is now fully funded for drilling, having just raised \$3.7 million at 10 cents per share.'*

**(the Misrepresentations)**

As the Article was prepared for the purposes of informing actual or potential investors and contained statements about Gold Mountain's production targets (i.e. projections or forecasts of the amount of minerals to be extracted from mining tenements for periods that extend past the current and forthcoming year) and forecast financial information and was sent to current investors, the JORC Code applied to the Article.

The Misrepresentations implied that Gold Mountain had established to the standard of reliability required by the JORC Code for public reporting, that:

- (a) the mineralisation for the 12.5 million m3 target zone would be 281,350 ounces;
- (b) this mineral resource is capable of eventual economic extraction; and
- (c) there was a reasonable basis for the calculation of \$337 million in future revenues.

There was in fact no reasonable basis for extrapolating the results of Pit 200 across the entire 12.5 million cubic metre target zone, in that the results were obtained from only one sampling pit, which comprised .001 percent of the area, compared to the total 12.5 million cubic metre target zone.

The Misrepresentations were also not compliant with the JORC Code as they were not based on the work of a suitably qualified and experienced person, or on results that had been reviewed and analysed by a competent person who had considered a range of mining, processing, metallurgical, infrastructure, economic, marketing, legal, environment, social and government factors.

In addition, Gold Mountain did not at the time have sufficient funds to start the process of delineating the JORC resource.

Gold Mountain approved the Article and also approved the release of the same to its shareholders. Gold Mountain knew that the Article was written by a person who provided marketing services to Gold Mountain, who was not a competent person for the purposes of preparing JORC compliant statements. Gold Mountain also knew that the Article had not been reviewed by a competent person under the JORC requirements.

Gold Mountain knew the Article was to be sent to its shareholders and, later on 27 July 2017, it was also aware that the Article was in fact sent to the shareholders.

Accordingly, on 27 July 2017, Gold Mountain was aware that it was required to correct the Misrepresentations (**the Information**).

On 28 July 2017, after the release of the Article, the closing price of Gold Mountain's securities was 10.5% higher than the previous trading day, and there were significantly increased trading volumes.

On 7 August 2017, following correspondence between the ASX and Gold Mountain, Gold Mountain released an announcement titled 'Retraction Announcement' on ASX in which it announced that the Article contained statements that did not comply with the requirements of the JORC Code, that the Article was 'unreservedly' retracted and that shareholders should disregard it and not make any decision to buy or sell its securities on the basis of the Article.

On 7 August 2017, following the release of the Retraction Announcement, the closing price of Gold Mountain's securities was 9% lower than the previous day. On 8 August 2017, the closing price of Gold Mountain fell further and was 4% lower than the day before.

#### **The Contravention**

This Infringement Notice has been issued because ASIC has reasonable grounds to believe that Gold Mountain contravened subsection 674(2) of the Act between 27 July 2017 and 7 August 2017, in that:

- (a) Gold Mountain is an entity to which subsection 674(2) of the Act applies.
- (b) On 27 July 2017, Gold Mountain was aware of the Information.
- (c) The Information was information that a reasonable person would expect, if it were generally available, to have a material effect on the price or value of securities of Gold Mountain, because information that it was required to correct misrepresentations in the Article about Gold Mountain's significant project in Papua New Guinea and about its production targets and forecast financial information, was significant information which would, or would be likely to, influence persons who commonly invest in securities in deciding whether to acquire or dispose of Gold Mountain's shares.
- (d) ASX Listing Rule 3.1 required Gold Mountain to tell ASX of the Information on 27 July 2017, but it did not do so.
- (e) ASX Listing Rule 3.1A (the exception to ASX Listing Rule 3.1) did not apply to the Information because:
  - (i) A reasonable person would have expected the Information to be disclosed to ASX; and

- (ii) None of the matters referred to in ASX Listing Rule 3.1A applied to the Information.
- (f) Between 27 July 2017 and 7 August 2017, the Information was not generally available.

#### **Compliance with the Infringement Notice**

Gold Mountain may choose to comply with this Infringement Notice by paying the Penalty within the compliance period.

The compliance period for this Infringement Notice begins on 20 July 2018 and expires on 16 August 2018: subsection 1317DAH(1) of the Act. ASIC may extend the compliance period for this Infringement Notice once, by up to 28 days: subsection 1317DAH(3) of the Act. If this occurs, ASIC will notify Gold Mountain in writing.

#### **Effect of issue and compliance with the Infringement Notice**

The issue of this Infringement Notice, and subsequent compliance with it, is not an admission of liability by Gold Mountain and cannot be regarded as a finding that Gold Mountain has contravened subsection 674(2) of the Act for any other purpose: subsection 1317DAF(4) of the Act.

ASIC cannot take civil or criminal proceedings against Gold Mountain for the alleged contravention specified in this Infringement Notice, either during the compliance period or after the Infringement Notice is complied with: subsection 1317DAF(5) of the Act. However, certain proceedings may be commenced or continued against Gold Mountain by third parties or by ASIC on behalf of third parties: subsection 1317DAF(6) of the Act.

#### **Effect of failure to comply with the Infringement Notice**

ASIC cannot enforce compliance with this Infringement Notice: section 1317DAF of the Act. However, if this Infringement Notice is not withdrawn in accordance with section 1317DAI of the Act, it is open to ASIC to take the following action against Gold Mountain:

- (a) ASIC may begin civil penalty proceedings against the entity under Part 9.4B of the Act seeking a declaration that Gold Mountain breached the provision specified in this Infringement Notice and a pecuniary penalty order. The size of the pecuniary penalty is not limited to the amount specified in the Infringement Notice. The Court may under Part 9.4B impose a maximum penalty in relation to the alleged contravention of up to \$1 million;
- (b) ASIC may (if applicable) begin proceedings under section 1324B of the Act seeking an order that specified information be disclosed in the manner required by this Infringement Notice;
- (c) ASIC may (if applicable) make an order under section 91 of the *Australian Securities and Investments Commission Act (the ASIC Act)* for recovery of

expenses of its investigation into the breach specified in this Infringement Notice. ASIC can also bring proceedings to enforce that order; and

- (d) ASIC can make a determination under subsections 708A(2), 713(6), 1012DA(2) or 1013FA(3) of the Act, or accept an enforceable undertaking under section 93AA of the ASIC Act and bring proceedings to enforce the undertaking: section 1317DAG of the Act.

Certain other proceedings may also be commenced or continued against Gold Mountain by third parties or by ASIC on behalf of third parties: subsection 1317DAG(4) of the Act.

#### **Withdrawal of infringement notice**

ASIC may withdraw this Infringement Notice at any time prior to compliance if it considers it appropriate to do so. If this Infringement Notice is withdrawn, any enforcement action may be taken by ASIC against Gold Mountain, including:

- (a) civil proceedings under Part 9.4B of the Act; or
- (b) a prosecution for an offence based on the provision specified in the notice.

Gold Mountain may seek the withdrawal of this Infringement Notice by making a written representation to ASIC: subsections 1317DAI(1) of the Act. Material provided to ASIC in such a representation is not admissible in evidence in proceedings against Gold Mountain or a representative of the company: subsections 1317DAI(2) of the Act.

#### **Publication**

If Gold Mountain complies with this Infringement Notice ASIC may publish details of Gold Mountain's compliance in the manner set out in subsections 1317DAJ(2) or (3) of the Act: subsection 1317DAJ(1) of the Act.

The provisions contained in Part 9.4AA of the Act are attached hereto as Annexure 1.



Abigail Sheppard  
Delegate  
Australian Securities and Investments Commission

In accordance with s1317DAJ(2) the following statements need to accompany the published Infringement Notice:

Gold Mountain Limited has complied with the Infringement Notice by paying the penalty of \$33,000. Compliance with the Infringement Notice by Gold Mountain Limited is not an admission of guilt or liability.

Gold Mountain Limited is not regarded as having contravened s674(2) of the Corporations Act 2001.



18-0675

**Australian Securities and Investments Commission  
Corporations Act 2001 – Paragraph 741(1)(a) and section 1020F(1) – Exemption**

**Enabling legislation**

1. The Australian Securities and Investments Commission (*ASIC*) makes this instrument under paragraph 741(1)(a) and subsection 1020F(1) of the *Corporations Act 2001* (the *Act*).

**Title**

2. This instrument is ASIC Instrument 18-0675.

**Commencement**

3. This instrument commences on 1 August 2018.

**Exemptions**

4. Latitude and the Latitude Group do not have to comply with subsection 734(2) of the *Act*.
5. Latitude and the Latitude Group do not have to comply with subsection 1018A of the *Act*.

**Where this instrument applies**

6. Subject to paragraph 8, paragraph 4 applies to the information communicated by:
  - (a) Latitude or the Latitude Group to employees of the Latitude Group;with the information being as set out below:
  - (i) the fact that Latitude is proposing to undertake the IPO;
  - (ii) information about the ways in which they may participate in the IPO;
  - (iii) details of any existing or prospective employee offer, employee share plan, employee option plan or employee incentive plan proposed to be impacted or implemented in connection with the IPO under which offers to employees of the Latitude Group may be made;
  - (iv) information about the timetable for the IPO, including updates to the timetable for the IPO;
  - (v) any information alerting them to impending announcements about the IPO; and

- (vi) information relating to changes which may be made to the structure and administration of Latitude, the Latitude Group or a related body corporate (including through a restructure).
7. Subject to paragraph 8, paragraph 5 applies to information communicated by Latitude or the Latitude Group to employees of the Latitude Group in relation to details of any existing or prospective employee share plan, employee option plan or employee incentive plan proposed to be implemented in connection with the IPO under which offers to employees of the Latitude Group may be made.

#### Conditions

8. This instrument does not apply if, in communicating any of the information set out in paragraphs 6 and 7 of this instrument, Latitude or the Latitude Group communicates any advantages, benefits or merits of the IPO.

#### Cessation

9. This exemption shall remain effective, unless otherwise revoked, until the earlier of:
- (a) the date on which Latitude lodges the Prospectus with ASIC; and
  - (b) 27 November 2018.

#### Interpretation

10. In this instrument:

***IPO*** means the initial public offering of Shares.

***Latitude*** means Latitude Financial Group Limited (ACN 625 845 883).

***Latitude Group*** means KVD Australia HoldCo Pty Ltd (ACN 604 747 391), Latitude Financial Services Limited (New Zealand company number 562 4865) and their respective subsidiaries.

***Prospectus*** means the prospectus issued by Latitude and SaleCo expected to be lodged with ASIC on or about 27 August 2018.

***SaleCo*** means Latitude SaleCo Limited (ACN 625 845 874).

***Shares*** means fully paid ordinary shares in Latitude.

Dated this 1st day of August 2018



Signed by Timfai Loh  
as a delegate of the Australian Securities and Investments Commission



CORPORATIONS ACT 2001  
Section 601CL(4)

ASIC will strike the foreign companies listed below off the register three months after the publication of this notice, unless given acceptable reason not to proceed.

Dated this third day of August 2018

Rosanne Bell  
DELEGATE OF  
THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION

**Name of Company**

**ARBN**

HARNET CORPORATION

134 988 364

IBS SOFTWARE PRIVATE LIMITED

624 648 684

SECURED ASSET PORTFOLIO III LIMITED

161 048 577

Corporations Act 2001  
Subsection 164(3)

Notice is hereby given that ASIC will alter the registration details of the following companies 1 month after the publication of this notice, unless an order by a court or Administrative Appeals Tribunal prevents it from doing so.

**DUKE EXPLORATION PTY LTD**

ACN 119 421 868 will change to a public company limited by shares. The new name will be DUKE EXPLORATION LIMITED ACN 119 421 868.

**ODYSSEY GAMING LIMITED** ACN 074 735 452

will change to a proprietary company limited by shares. The new name will be ODYSSEY GAMING PTY LIMITED ACN 074 735 452.