



Australian Government

Takeovers Panel

MEDIA RELEASE

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Quantum Graphite Limited (subject to Deed of Company Arrangement) – Panel Declines to Make Declaration

The Panel has declined to make a declaration of unacceptable circumstances in response to an application dated 16 January 2018 from Strategic Energy Resources Limited in relation to Quantum Graphite Limited (subject to Deed of Company Arrangement). The application concerned an issue of shares by Quantum on 29 September 2017 and matters relating to Quantum's annual general meeting held on 18 December 2017 (see [TP18/02](#)).

The Panel had concerns regarding the adequacy of disclosure in the notice of annual general meeting and the failure to lodge a substantial holding notice following the 29 September share issue. There was also material regarding the 29 September share issue that, in other circumstances, may have led the Panel to make further enquiries.

However, on balance the Panel considered making a declaration of unacceptable circumstances was not in the public interest, noting the object of Part 5.3A¹ in addition to the matters in section 657A(3), the potential prejudice to creditors and shareholders if the Deed of Company Arrangement did not proceed as a result of making a declaration and the potential advantages to creditors and shareholders if the Deed of Company Arrangement is fully implemented and shares of Quantum recommence trading on ASX.

On the basis of the above, the Panel decided not to make a declaration of unacceptable circumstances.

The sitting Panel was Yasmin Allen, Robert McKenzie and Sophie Mitchell (sitting President). The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

Allan Bulman
Director, Takeovers Panel
Level 10, 63 Exhibition Street
Melbourne VIC 3000
Ph: +61 3 9655 3500
takeovers@takeovers.gov.au

¹ Unless otherwise indicated, all statutory references are to the *Corporations Act 2001* (Cth)