



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP18/37

Tuesday, 29 May 2018

Realm Resources Limited – Panel Receives Application

The Panel has received an application from Realm Resources Limited in relation to its affairs. Realm is currently the subject of a takeover bid by T2 Resources Fund Pty Ltd on behalf of Taurus Resources No 2, L.P. and Taurus Resources No. 2 Trust (**T2**).

Details of the application, as submitted by the applicant, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

On 9 February 2018, T2 announced an intention to make an off-market takeover bid for all the issued shares in Realm that it does not already own (**Offer**). The Offer opened on 14 March 2018. At that date T2 and its related bodies corporate (**Bidder Group**) had an 85.71% interest in Realm shares.

Realm has been suspended from trading since 14 July 2017. The applicant submits that it is necessary for it to undertake a capital raising to dilute the Bidder Group's holdings below 80%, for Realm to be relisted.

On 30 April 2018, Realm issued a notice of annual general meeting. It included resolutions to elect two new directors to the board of Realm. The directors were nominated by Realm's majority shareholder, a member of the Bidder Group. These resolutions are proposed to be considered at the AGM on 31 May 2018.

The applicant submits that unacceptable circumstances arise from (amongst other things):

- T2's stated objective of blocking the capital raising to prevent the relisting of Realm shares, and its actions to achieve that and
- the nomination of two new nominee directors by a member of the Bidder Group, for appointment at the AGM on 31 May 2018.

The applicant seeks an interim order that, if the shareholders pass the resolutions for the appointment of the new nominee directors at the AGM, the appointments be stayed until further order of the Panel pending the outcome of the application.

The applicant seeks final orders that:

- T2 withdraw the Offer and not lodge any further bid until at least 4 months after the resumption of trading of Realm shares on the ASX
- the appointment of the new nominee directors (if appointed) be set aside
- the Bidder Group divest shares to unrelated parties to reduce its holding in Realm shares to below 80% and
- Realm proceed with the relisting process and not seek to delist from the official list for a period of at least 6 months after the close of any bid by T2, subject to certain exceptions.

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