



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP18/75

Monday, 12 November 2018

Explaurum Limited - Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 24 October 2018 from Ramelius Resources Limited in relation to the affairs of Explaurum Limited (see [TP18/72](#)).

Explaurum is currently the subject of an off-market takeover bid (**Offer**) by Ramelius for 100% of the shares in Explaurum for consideration of 1 Ramelius share for every 4 Explaurum shares (**Offer Consideration**). On 29 October 2018, Explaurum announced that it had entered into a transaction with Alkane Resources Limited under which, among other things, Explaurum would issue ordinary shares to Alkane for a subscription amount of \$8 million (**Alkane Transaction**). The Alkane Transaction is conditional on Explaurum shareholder approval.

Following discussions with the Panel, Explaurum released its Fifth Supplementary Target's Statement confirming that it would facilitate the provision of an independent expert's report to shareholders before the close of the Offer and the general meeting to consider the Alkane Transaction. The Panel expects the independent expert's report will include:

- a valuation of Explaurum, including based on a technical valuation of Explaurum's specific assets (such as reserves and resources)
- an assessment of the Alkane Transaction and
- an assessment of the value of the Offer Consideration and a comparison against the value of Explaurum to form an opinion as to whether the Offer Consideration is fair and/or reasonable to Explaurum shareholders.

Explaurum also retracted statements in the Target's Statement (partially clarified in the First Supplementary Target's Statement) relating to reserve contributions which the Panel considered were misleading.

Given these developments the Panel concluded there was no reasonable prospect that it would make a declaration of unacceptable circumstances. Accordingly, the Panel declined to conduct proceedings.

The sitting Panel was Alex Cartel (sitting President), Shirley In't Veld and Jeremy Leibler.

The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

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