



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP24/013

Tuesday, 2 April 2024

Vintage Energy Limited – Panel Receives Application

The Panel has received an application from Keybridge Capital Limited in relation to the affairs of Vintage Energy Limited (ASX: VEN).

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

The applicant is a substantial shareholder in Vintage.

On 25 March 2024, Vintage announced its intention to undertake an \$8.0 million capital raising comprising a \$1.3 million placement and a \$6.7 million accelerated non-renounceable entitlement offer.

On 27 March 2024, Vintage announced that it had received a notice under s249D from the applicant requisitioning a general meeting to remove all the current board members of Vintage.

On 27 March 2024, Vintage announced the completion of the placement and the institutional component of the entitlement offer. Vintage also announced that the entitlement offer was fully underwritten by Morgans Corporate Limited and United Capital Partners Pty Ltd and that Regal Funds Management Pty Ltd had agreed to act as sub-underwriter and as a result Regal's potential maximum voting power in Vintage may increase from 6.57% to 24.74%.

The applicant submits, among other things, that:

- Vintage is raising significantly more than is necessary, where other funding options were available that were less costly and less dilutive for shareholders.
- The placement was unnecessary, at an unreasonable discount to fair value and was raised in circumstances where the Board was facing imminent removal. In

the absence of a discernible requirement for those funds, the placement is an unacceptable frustrating action to the applicant's s249D notice.

- Vintage's reliance on s611 Item 10 results in an unacceptable change of control because (among other things):
 - it is raising more capital than it requires
 - the entitlement offer is non-renounceable and has arbitrarily restricted retail shareholders' participation in a shortfall/top-up facility
 - other expressions of interest from potential underwriters (including from the applicant) were rejected, when that interest would have negated the need to rely upon the exception.

The applicant seeks interim orders to the effect that:

- Until the completion of Panel proceedings, the placement and the accelerated institutional component of the entitlement offer be stayed and Vintage must not commence the retail component of the entitlement offer.
- Vintage must provide a record of all Vintage shareholders that sold Vintage shares between 20 February 2024 and 22 March 2024.
- Vintage must disclose all other alternative funding arrangements that were available to it.

The applicant seeks final orders to the effect that:

- Vintage must cancel the placement or, alternatively, scale back all oversubscriptions to the placement using a consistent formula.
- Vintage must scale back the entitlement offer to only the amount required.
- Vintage must accept underwriting offers from existing shareholders on equal terms to other underwriters.
- Vintage must remove the restriction on oversubscriptions by existing shareholders under the top-up facility for the retail entitlement offer.
- Costs of the capital raise be capped at 3% of the funds raised or a market rate determined by the Panel.

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