



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP24/028

Wednesday, 29 May 2024

Locality Planning Energy Holdings Limited – Panel Receives Application

The Panel has received an application from River Capital Pty Ltd as trustee for River Capital Embedded Network Trust in relation to the affairs of Locality Planning Energy Holdings Limited. Locality is currently the subject of an off-market takeover bid by the applicant.

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

Locality Planning Energy Holdings Limited is an ASX-listed electricity and utility services company. The current directors of Locality are Mr Stan Kolenc, Mr Simon Tilley and Mr David Jarjoura and each director holds a relevant interest in Locality shares.

The applicant is the largest individual shareholder in Locality.

On 16 April 2024, the applicant announced an off-market takeover bid for all of the shares in Locality that it did not already own.

In the period since the announcement of the applicant's takeover offer, Mr Kolenc and Mr Tilley have acquired Locality shares on-market. Over the same period, Boutique Capital Pty Ltd as trustee for Tectonic Opportunities Fund has also acquired Locality shares on-market.

On 16 May 2024, Locality lodged its target's statement which contained a "*significant improvement in the net profit result for FY24 with the Board's full year updated guidance in the range of \$1.95m to \$2.0m*".

The applicant submits that (in summary):

- each of Mr Kolenc, Mr Tilley and Mr Jarjoura (the directors of Locality) are associates and have failed to disclose their association
- Tectonic Fund and the directors of Locality are associates and have failed to disclose their association
- Tectonic Fund, Mr Kolenc, Mr Tilley and Mr Jarjoura have acquired Locality shares in breach of section 606
- there is currently a false market for shares in Locality caused by Tectonic Fund, Mr Kolenc, Mr Tilley and Mr Jarjoura's trading activity which has artificially inflated the Locality share price and
- Mr Kolenc and Mr Tilley were in possession of materially price sensitive and confidential information at the relevant times they traded in Locality shares.

The applicant seeks an interim order that Mr Jarjoura, Mr Tilley, Mr Kolenc and Tectonic Fund (and their associates) be restricted from acquiring any additional Locality shares until a final determination by the sitting Panel (once appointed).

The applicant seeks final orders that:

- *"Mr Jarjoura, Mr Tilley, Mr Kolenc and Tectonic Fund (and their associates) be restricted from exercising any votes attached to Locality shares acquired in breach of section 606 (**Relevant Shares**)".*
- *"The Relevant Shares be vested in the Commonwealth for sale by ASIC".*
- *"Corrective disclosure be made by Mr Jarjoura, Mr Tilley, Mr Kolenc and Tectonic Fund pursuant to section 671B disclosing details of their association and combined voting power".*
- *"Cleansing disclosure be made by Mr Jarjoura, Mr Tilley and Mr Kolenc of all non-public price sensitive information known to the directors".*

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