



## Receipt of indicative, non-binding conditional takeover proposal

### Heemskirk Consolidated Limited

ASX: HSK  
ABN 18 106 720 138

Shares on issue:  
562,635,912

Unquoted securities:  
Options: 3,152,430  
Employee shares: 1,464,808  
Partly paid (to 1c, 24c unpaid):  
100,000  
Partly paid (to 1c, 49c unpaid):  
1,500,000

Level 17  
303 Collins Street  
Melbourne Victoria 3000  
Australia

Telephone: +61 3 9614 0666  
Facsimile: +61 3 9614 4466  
Email: [hsk@heemskirk.com](mailto:hsk@heemskirk.com)

This information is available on our  
website at [www.heemskirk.com](http://www.heemskirk.com)



HEEMSKIRK  
CONSOLIDATED

### KEY POINTS

- ▶ Takeover proposal received from Taurus, a major shareholder in Heemskirk
- ▶ Discussions are currently underway and incomplete
- ▶ Shareholders to take no action at this time

Heemskirk Consolidated Limited (ASX: HSK), (“Heemskirk” or the “Company”) announces that it has received an indicative, non-binding and conditional proposal (the “Proposal”) to acquire 100% of the issued capital of the Company.

The Proposal is from Taurus Resources No. 2 BV (“Taurus”), who is a 30.9% shareholder <sup>(1)</sup> in Heemskirk and is currently providing the Company with a US\$25 million debt funding package to support the Phase 1 development of the Moberly Project in Canada <sup>(2)</sup>.

### Key terms of the Proposal

- ▶ Taurus proposes to acquire all the shares in the Company it does not already own via an off-market takeover.
- ▶ To undertake the Proposal, Taurus has incorporated a new private limited company in Canada (the “Bidder”).
- ▶ Heemskirk shareholders may elect to take consideration for their current HSK shares in the form of:
  - Cash: A\$0.075 per share; or
  - Scrip: in the Bidder (issued on a 1-for-1 basis to the number of HSK shares elected to be taken as Scrip).
- ▶ No caps or minimum election conditions attach to either form of consideration.
- ▶ The Bidder is a special purpose vehicle incorporated for the sole purpose of holding HSK shares and issuing new Scrip to those HSK shareholders who make this election.

(1) A separate Taurus fund (Taurus Resources Fund) holds a 1.6% relevant interest in HSK, as announced to the ASX on 2 February 2016.

(2) For further details of the debt funding package, refer to HSK’s announcement to the ASX dated 15 July 2015.



### **Key conditions of the Proposal**

The Proposal is subject to a number of conditions, including:

- 🔥 The Company entering into a Takeover Implementation Agreement with the Bidder.
- 🔥 The Board of Heemskirk publicly announcing their support for the Proposal.
- 🔥 Regulatory approvals, including from the Foreign Investment Review Board.
- 🔥 Minimum acceptance of the Proposal such that the Bidder achieves a relevant interest in at least 90% of the issued capital of the Company.
- 🔥 Other customary arrangements for a Proposal of this nature.

### **Current status of the Proposal**

The Board is currently evaluating the value, terms and conditions of the Proposal; including seeking further information from Taurus about the Bidder given the possibility for shareholders to elect to take Scrip.

The Company has appointed Lion Capital Advisory as financial adviser and GrilloHiggins as legal adviser to assist it in evaluating the Proposal.

The Board notes that there is no certainty that the Proposal will result in any binding offer for the Company, what the terms of any such offer may be, or whether there will be a recommendation by the Board supporting the Proposal.

The Board notes that shareholders do not need to take any action in response to the Proposal at this time and an update will be provided in the New Year.

For further information, please contact:

Craig Jensz  
Managing Director, Lion Capital Advisory  
+61 400 634 979 or [craig.jensz@lioncapital.com.au](mailto:craig.jensz@lioncapital.com.au)