



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP20/31

Monday, 27 April 2020

Strategic Minerals Corporation NL 06 – Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 20 April 2020 from Ms Veronica Oma in relation to the affairs of Strategic Minerals Corporation NL.

The application concerned a proposed renounceable entitlement issue by Strategic Minerals of two shares for every fifteen shares at an offer price of \$0.36 per share to raise up to \$4,122,818 (see [TP20/28](#)).

The applicant submitted that the entitlement issue, following two earlier entitlement issues, was structured to enable Strategic Minerals' controlling shareholder (QGold Pty Ltd) to take its shareholding from 89.59% to 90.70% and proceed to compulsory acquisition. The applicant also submitted that Strategic Minerals has delayed a prefeasibility study of the company's Big Vein South gold deposit and therefore, the company would be undervalued in any compulsory acquisition valuation.

The Panel considered that the process undertaken by Strategic Minerals to explore its funding options (as submitted by Strategic Minerals) appeared prima facie to be appropriate in the circumstances (and having regard to current market conditions) in reaching a decision to undertake the entitlement issue on the terms announced.

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 Rebecca Maslen-Stannage, Tony Osmond (sitting President) and Nicola Wakefield Evans.

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

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