



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP16/76

Tuesday, 1 November 2016

Merlin Diamonds Limited – Panel Receives Application

The Panel has received an application from Thomas Reddicliffe in relation to the affairs of Merlin Diamonds Limited.

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

Merlin Diamonds Limited is a listed diamond exploration and development company (ASX code: MED).

At a general meeting held on 6 September 2016, Merlin sought shareholder approval of agreements with several parties under which it had borrowed funds or agreed to borrow funds in exchange for secured notes and options. Shortly before the record date, Merlin allotted shares including to one of the parties to the note agreements.

The applicant submits (among other things) that several parties were associated and acting in concert in relation to the shareholder approvals, resulting in a breach of section 606 of the *Corporations Act 2001* (Cth).

The applicant seeks interim orders including orders restraining the conversion or disposal of the notes and options approved at the meeting and the disposal and voting of the allotted shares.

The applicant seeks final orders including orders requiring that the notes and options be re-approved by shareholders and that the issue of shares be ratified (in each case, excluding the vote of the allottees, the alleged associates and their respective associates).

Bruce Dyer
Counsel, Takeovers Panel
Level 10, 63 Exhibition Street
Melbourne VIC 3000
Ph: +61 3 9655 3559
bruce.dyer@takeovers.gov.au