



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP14/14

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Dragon Mining Limited – Panel Receives Application

The Panel has received an application from Dragon Mining Limited in relation to its affairs. The application concerns allegations of association between COL Capital Limited and Ms Shirley Chong Sok Un (on the one hand) and Eurogold Limited (on the other), each a substantial shareholder in Dragon Mining.

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

Eurogold has a 24.45% interest in Dragon Mining. It has held this interest since March 2012. Allied Properties Resources Limited has a 36.48% interest in Eurogold. Allied Properties is controlled by Allied Group Limited, which is controlled by the Lee family.

Between December 2012 and June 2013, COL Capital acquired a 12.08% interest in Dragon Mining. Ms Chong ultimately holds a 72% interest in COL Capital.

On 9 December 2013, Dragon Mining received a notice from Eurogold requisitioning a meeting to remove all the directors of Dragon Mining (except Mr Peter Gunzburg)¹ and appoint Mr Arthur Dew and Mr Brett Smith as directors. The meeting is scheduled for 7 February 2014.

Dragon Mining submits that Ms Chong and the Lee family (and their related entities) are associates and that the shares acquired by COL Capital were in breach of the takeovers prohibition. Further, Dragon Mining submits that there have been breaches of the substantial holdings provisions by COL Capital, Ms Chong and Eurogold (and their associates) and breaches of the beneficial tracing provisions by COL Capital and Ms Chong.

¹ Mr Peter Cordin, Mr Kjell Larsson, Mr Tapani Jarvinen, Mr Markku Makela and Mr Christian Russenberger

Dragon Mining seeks interim orders, including to the effect that COL Capital, Ms Chong and Eurogold (and their associates) are prevented from acquiring shares in the company and the requisitioned meeting is adjourned until the conclusion of the Panel's proceedings.

Dragon Mining seeks final orders, including to the effect that the shares held by COL Capital in the company are vested in ASIC for sale and COL Capital, Ms Chong and Eurogold (and their associates) are restrained from exercising voting power at the requisitioned meeting and any subsequent meetings regarding the composition of Dragon Mining's board.

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