



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP15/30

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Mungana Goldmines Limited – Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 1 June 2015 from Auctus Chillagoe Pty Ltd in relation to the affairs of Mungana Goldmines Limited.

Mungana is currently the subject of an off-market takeover bid from Auctus (see [TP15/29](#)).

Auctus submitted (among other things) that Mungana's investor presentation dated 25 May 2015 was misleading because it:

- overstated a production target in relation to Mungana's King Vol asset and
- understated its estimated pre-production capital expenditure.

On 5 June 2015, Mungana made a clarifying announcement retracting the production target and re-characterising it as an aspirational statement as it was *"determined in the absence of sufficient certainty in respect of specific JORC modifying factors relevant to its achievement... [and therefore] not based on reasonable grounds"*.

The Panel considered that Mungana's clarifying announcement dealt with any potential issues relating to disclosure of the production target. The Panel also considered that it was open to Auctus to put forward its own views to Mungana's shareholders in relation to Mungana's estimated pre-production capital expenditure.

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 Rodd Levy (sitting President), Sophie Mitchell and Tony Osmond.

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

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