

ASX RELEASE

9 February 2018

ASX Announcements
4th Floor
20 Bridge Street
Sydney, NSW 2000

UPDATE – LEGAL ACTION – XPD SOCCER GEAR GROUP LIMITED (ASX: XPD)

As announced to the ASX on 22 December 2017, Mejority Capital Limited (“Mejority” or “Company”) has commenced an action in the Federal Court of Australia seeking access to certain documents of XPD that will assist Mejority to determine whether to commence proceedings against XPD seeking damages and other relief with respect to Losses incurred by Mejority in relation to its shareholding in XPD.

A first Directions hearing in the matter was held on 7 February 2018 in the Federal Court in Perth.

Solicitors representing XPD attended at the Federal Court and requested a four-week adjournment, advising that:

- they had only been instructed by XPD on 5 February 2018;
- their instructor required a Mandarin translation of the Originating Application and associated documents; and
- the instructor, and XPD’s operations, were based in China and that office would be closed for the Chinese New Year.

Mejority’s solicitor drew the Court’s attention to the facts that:

- XPD had been aware of this pending claim since 2 August 2017 and has apparently taken no action over the following 6 months;
- The original detailed letter of demand produced an undertaking from XPD’s then lawyers, HWL Ebsworth, to take instructions and then to respond. Such a response never eventuated;
- The Original Application was filed with the Court on 21 December 2017 and we attempted to serve HWL Ebsworth only to be told that they had no instructions to accept service on behalf of XPD.
- XPD were served on 17 January 2018 and yet delayed until 5 February 2018 to instruct their solicitors; and
- XPD have two Australian based Directors who should be able to handle the matter without translation and through the Chinese New Year.

Ultimately the Court ordered that:

- By 4PM on 9 March XPD is to file and serve any affidavits in opposition to our application;

- By 4PM on 4 April 2018 Mejority is to file and serve any responsive affidavits; and
- The matter is adjourned to a directions hearing on the 11th April 2018.

END

For further information:

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