



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP18/12

Thursday, 15 February 2018

Strategic Minerals Corporation NL - Orders

The Panel made a declaration of unacceptable circumstances on 1 February 2018 in relation to an application by Ms Veronica Oma in relation to the affairs of Strategic Minerals Corporations NL (see [TP18/06](#)).

The Panel has made final orders (Annexure A), which in effect require (among other things):

- The issue and dispatch of a supplementary bidder's statement and a supplementary target's statement (including a revised independent expert's report and a revised technical expert's report).
- QGold to provide persons who sold Strategic Minerals shares following the announcement of the takeover bid with the ability to purchase from QGold the number of shares that they sold.
- That the threshold to seek delisting of Strategic Minerals is increased to take into account the shares sold during the takeover bid by the entity who received shares under a placement in November 2017.
- The payment of costs to the applicant.

The sitting Panel was Alex Cartel (sitting President), Bruce Cowley and Neil Pathak.

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

Allan Bulman
Director, Takeovers Panel
Level 10, 63 Exhibition Street
Melbourne VIC 3000
Ph: +61 3 9655 3500
takeovers@takeovers.gov.au



Australian Government

Takeovers Panel

ANNEXURE A
CORPORATIONS ACT
SECTION 657D
ORDERS

STRATEGIC MINERALS CORPORATION NL

The Panel made a declaration of unacceptable circumstances on 1 February 2018.

THE PANEL ORDERS

Supplementary bidder's statement

1. Within 5 business days after the date of these orders, QGold must provide to the Panel for review a supplementary bidder's statement in relation to the Takeover Bid which includes the following information:
 - (a) An explanation that Mr Wallin is the directing mind and will of QGold, details of the ownership structure of QGold and the information specified in s671B(3)(a), (b), (c) and (d)¹ in respect of each person having a relevant interest in either Queensland Gold Holdings Pty Ltd or QGold.
 - (b) The information referred to in s671B(3)(a), (b), (c) and (d) in respect of any person through which QGold or Mr Wallin holds voting power in Strategic Minerals.
 - (c) All information known to Mr Wallin (whether obtained as a director of Strategic Minerals, QGold or otherwise) that is material to a decision of a shareholder in Strategic Minerals whether to accept the Takeover Bid (other than information clearly disclosed in the Target's Statement or ASX announcements of Strategic Minerals since 1 December 2016).
 - (d) Details of each exploration permit held by an entity controlled by Mr Wallin, which abuts, or of which all or part is located within 100 kilometres of, a tenement held by Strategic Minerals.
 - (e) A revised and updated version of section 5 of the Bidder's Statement, which includes details of QGold's intentions on the matters referred to in s636(1)(c) and which is based on all information known to Mr Wallin or

¹ Unless otherwise specified, all statutory references are to the *Corporations Act 2001* (Cth) (as modified by ASIC) and all terms used in Chapter 6 or 6C have the meaning given in the relevant Chapter

QGold (rather than only information that is known to QGold from publicly available information) in relation to Strategic Minerals and each exploration permit referred to in Order 1(d) that is held by an entity controlled by Mr Wallin.

- (f) An explanation of the decision of the Panel and effect of its orders (including an explanation that QGold will offer to sell shares to Eligible Shareholders and the reasons for that offer).
2. Within 2 business days of the Panel's review of the supplementary bidder's statement contemplated by Order 1 being completed, QGold must send a copy of the supplementary bidder's statement (in a form approved by the Panel) to the ASX and Strategic Minerals, lodge it with ASIC and send it to each holder of Strategic Minerals shares (other than QGold).

New independent expert's report

3. Strategic Minerals must procure a revised independent expert's report regarding, and valuation of, Strategic Minerals on the following terms:
- (a) the independent expert's report and independent technical expert's report must comply with the ASIC regulatory guides on expert reports, the Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (VALMIN Code) and the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012 Edition (JORC Code)
 - (b) the independent expert and independent technical expert must consider the effect of the information set out in the supplementary bidder's statement (including the exploration permits referred to in Order 1(d)) on:
 - (i) the value of Strategic Mineral shares (including any special value to QGold) and
 - (ii) the independent expert's opinion of whether the Takeover Bid is fair and reasonable and
 - (c) the independent expert and independent technical expert must confirm to the Panel that they are satisfied that they were given access to all information reasonably requested.
4. Strategic Minerals must make available to the independent expert and independent technical expert all information reasonably requested by the independent expert and independent technical expert, including by making (on behalf of the independent expert and independent technical expert) reasonable enquiries of Mr McLoughlin and Mr Wallin regarding whether there may be any other information that should be made available to the independent expert and independent technical expert and by providing any such information to the independent expert and independent technical expert.

5. Mr McLoughlin and Mr Wallin must provide full and accurate answers to all questions directed to them by or on behalf of the independent expert and independent technical expert.
6. Strategic Minerals must submit a draft of the revised independent expert's report (containing the revised independent technical expert's report) to ASIC to review and consider, and take reasonable steps to address ASIC's comments as to whether the independent expert's report and independent technical expert's report comply with ASIC's regulatory guides on expert reports.
7. Within 14 days after the date of the supplementary bidder's statement, Strategic Minerals must send a copy of a supplementary target's statement (containing the revised independent expert's report and the revised independent technical expert's report) to the ASX and QGold, lodge it with ASIC and send it to each holder of Strategic Minerals shares (other than QGold).
8. Strategic Minerals must procure that the securities of Strategic Minerals remain suspended from official quotation on the ASX until Strategic Minerals has issued its supplementary target's statement pursuant to Order 7.

QGold to offer to sell Strategic Minerals shares to Eligible Shareholders

9. QGold must offer and transfer shares in accordance with these orders.
10. QGold must provide to the Panel for review (and take reasonable steps to address the Panel's comments) a letter to Eligible Shareholders that provides an explanation of QGold's offer to sell shares and the reasons for that offer and:
 - (a) attaches the supplementary target's statement (including the revised independent expert's report and revised independent technical expert's report), supplementary bidder's statement and any further supplementary bidder's statements issued by QGold
 - (b) offers Eligible Shareholders the right to buy the same number of shares they sold after the Takeover Bid was announced on ASX, or part thereof, on the following terms:
 - (i) the price is the takeover offer price of \$0.40 per share and
 - (ii) the offer is open for 15 business days from the date the last of the offers is dispatched and
 - (c) encloses an application form:
 - (i) requiring details of how many shares are proposed to be bought by the person
 - (ii) specifying the documentation that the person is required to include with the application form for the purposes of determining whether the person is an 'Eligible Shareholder'
 - (iii) specifying the payment methods acceptable to QGold (which must include at least by cheque) and

- (iv) specifying that the money (in cheque or other form acceptable to QGold) for the shares to be bought is to be sent to QGold (at an address in Australia) with the application form.
11. On the same date that the supplementary target's statement is issued to the market, Strategic Minerals must provide QGold with the names and addresses of the Eligible Shareholders.
 12. Within 5 business days of the issue of the supplementary target's statement to the market, QGold must send the letter and accompanying documents referred to in Order 10 (in the form approved by the Panel) to the persons notified to QGold by Strategic Minerals pursuant to Order 11.
 13. If for any reason QGold does not accept an application to accept QGold's offer:
 - (a) within 1 business day it must provide the application and its reasons for non-acceptance to ASIC
 - (b) ASIC must, within 2 business days of receipt, make a decision on whether or not the application should be accepted and
 - (c) if ASIC is unable to make a determination as to whether the application should be accepted, ASIC must refer the matter to the Panel within 3 business days of receipt of the application from QGold.
 14. By the later of:
 - (a) 5 business days of the receipt of a properly completed application (subject to ASIC or Panel review) and
 - (b) 1 business day of QGold's receipt of cleared funds

QGold must process an off market transfer of Strategic Minerals shares equal to the number specified in the application by the Eligible Shareholder into that Eligible Shareholder's name.

Restriction on application to seek delisting

15. Strategic Minerals must not (and QGold must procure that it does not) request removal of Strategic Minerals from the official list of the ASX, unless QGold and its related bodies corporate own or control at least 79.04% of Strategic Minerals' ordinary securities immediately following the later of:
 - (a) the last off market transfer of Strategic Minerals shares contemplated by Order 14 being processed and registered and
 - (b) the close of the Takeover Bid.

Costs

16. Within 15 business days after the date of these orders, QGold and Strategic Minerals must pay in aggregate \$3,122.90 to the applicant, representing the costs and expenses actually, necessarily, properly and reasonably incurred by the applicant in connection with these proceedings. Liability for these costs is joint and several.

Commencement of these orders

17. These orders do not have any effect before the date of these orders.

Interpretation

18. In these orders the following terms apply.

Bidder's Statement	QGold's bidder's statement dated 4 December 2017 in relation to the Takeover Bid
date of these orders	The date on which these orders take effect being the later of: <ul style="list-style-type: none">• 20 February 2018 and• the date on which any stay or suspension of these orders ends
QGold	QGold Pty Ltd
Eligible Shareholders	Persons who sold Strategic Minerals shares between the date the Takeover Bid was announced on ASX and the date of the issue of a supplementary target's statement (containing the revised independent expert's report and the revised independent technical expert's report) to the market (inclusive)
Strategic Minerals	Strategic Minerals Corporation NL
Takeover Bid	The on-market takeover offer announced by QGold on 4 December 2017 for all issued ordinary shares of Strategic Minerals at a price of \$0.40 per share
Target's Statement	Strategic Minerals' target's statement dated 18 December 2017 in relation to the Takeover Bid

Bruce Dyer
Counsel
with authority of Alex Cartel
President of the sitting Panel
Made on 15 February 2018