



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP24/21

Monday, 6 May 2024

Mount Isa Minerals Limited – Panel Receives Application

The Panel has received an application from Lantech Developments Pty Ltd in relation to the affairs of Mount Isa Minerals Limited. The Applicant is a shareholder of Mount Isa Minerals. 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

Mount Isa Minerals is unlisted public company with approximately 90 shareholders. In August 2023, Mr David Williams was appointed as Executive Chair and CEO of Mount Isa Minerals to progress an IPO for the company.

On 23 February 2024, 2 Directors of Mount Isa Minerals, Mr Scott Drelincourt and Mr Nicholas Huffels, insisted that Mr Williams resign. On 1 March 2024, Sonlen Pty Ltd, a shareholder and secured lender, issued a notice under section 203D for the removal of Mr Williams as a Director.

On 7 March 2024, Mount Isa Minerals received a further notice from Sonlen under section 249D to put a resolution to remove Mr Williams as a Director, and on 26 March 2024, Mount Isa Minerals issued a Notice of General Meeting to be held in person on 18 April 2024 to consider the resolution. The Notice of General Meeting and accompanying explanatory statement did not disclose to shareholders any reasons why they should vote in favour of the resolution or why facilities for virtual attendance were not provided.

On 20 March 2024, the board of Mount Isa Minerals resolved to terminate Mr Williams from his role as Executive Chairman and CEO (effective 21 March 2024). On 17 April 2024, Mr Williams resigned as a Director.

The Applicant submits, among other things, that:

- from 23 February 2024, certain lenders to, and shareholders and directors of, Mount Isa Minerals, including, among others, Sonlen, Mr Drelincourt and Mr Huffels, have been associated (**Associates**)
- the actions taken by Mr Drelincourt and Mr Huffels on 23 February 2024, and Sonlen on 1 March 2024, put a stop to progressing the IPO or any of the alternatives being considered at that time and
- the Associates have been acting, to the exclusion of other shareholders, to change the composition of the Board and the management of Mount Isa Minerals.

The Applicant also submits that, by being associated, the Associates have acquired a relevant interest in each other's shares in Mount Isa Minerals amounting to a breach of section 606.

The Applicant seeks final orders to the effect that:

1. Mount Isa Minerals provide full disclosure to all shareholders in relation to:
 - (a) the circumstances that led to the actions described above, including why the Associates recommended that Mr Williams be removed
 - (b) the reasons the Board determined to hold the 18 April 2024 meeting outside of a capital city in-person without any virtual attendance and
 - (c) the future plans for Mount Isa Minerals, including its management, the raising of capital, its potential listing and its exploration activities, and
2. Any contract or agreement proposed to be entered into, or which has since 23 February 2024 been entered into, between Mount Isa Minerals (or any related bodies corporate) and any Associate be subject to approval being obtained at a General Meeting of shareholders of Mount Isa Minerals.

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