



Australian Government

Takeovers Panel

Reasons for Decision

Adslot Ltd [2026] ATP 14

Catchwords:

Decline to conduct proceedings – association – off-market transfer – substantial holding disclosure – efficient, competitive and informed market

Corporations Act 2001 (Cth), sections 606, 608 and 671B

Auris Minerals Limited [2018] ATP 7, Mount Gibson Iron Limited [2008] ATP 4

Interim order	IO undertaking	Conduct	Declaration	Final order	Undertaking
NO	YES	NO	NO	NO	NO

INTRODUCTION

1. The Panel, Bruce Cowley (sitting President), Joseph Fayyad and Justin Harris declined to conduct proceedings on an application by Mr Andrew Barlow in relation to the affairs of Adslot. The application concerned an off-market transfer of approximately 12.24% of Adslot shares that was alleged to give rise to an undisclosed association between certain shareholders and was alleged to occur in a market that was not efficient, competitive and informed. The Panel considered that there was no reasonable prospect that it would declare the circumstances unacceptable.

2. In these reasons, the following definitions apply.

Adslot	Adslot Ltd (ASX:ADS)
Off-Market Transfer	has the meaning given in paragraph 5
Penstock	has the meaning given in paragraph 5
PPM	has the meaning given in paragraph 4
Relevant Shares	has the meaning given in paragraph 5

FACTS

3. Adslot is an ASX listed company.
4. Mr Andrew Dyer is the Executive Chairman of Adslot and has voting power of approximately 9.16% in Adslot. Mr Dyer is also a director of Private Portfolio Managers Pty Limited (**PPM**).
5. On 29 June 2026, 723,878,279 Adslot shares (the **Relevant Shares**), representing 12.24% of the total number of Adslot ordinary shares on issue, were transferred off market from PPM to Penstock Consulting Pty Ltd (**Penstock**) for total consideration

of \$723.87 (**Off-Market Transfer**). The market value of the Relevant Shares (based on the last traded price on the ASX of \$0.001) was approximately \$723,870.

6. Also on 29 June 2026, Penstock filed a Form 603 and PPM filed a Form 605 recording details of the transfer of the Relevant Shares. The Form 603 filed by Penstock was signed by its sole director, Mr Ralph Hobbs.
7. On 3 July 2026, the applicant raised a number of concerns with the Adslot board in relation to the Off-Market Transfer.
8. Between 3 July 2026 and 14 July 2026, the applicant and Mr Dyer exchanged email correspondence in relation to the board's involvement in, and the circumstances surrounding, the Off-Market Transfer.

APPLICATION

Declaration sought

9. By application dated 21 July 2026, the applicant sought a declaration of unacceptable circumstances, submitting (among other things) that:
 - (a) the acquisition of the Relevant Shares did not occur in an efficient, competitive and informed market because the market is not informed as to (among other things) the true beneficial holder of the Relevant Shares, the relationship between Mr Dyer and Penstock, and the circumstances that gave rise to the transfer of Relevant Shares (including that Mr Dyer introduced the sole director of Penstock to PPM in relation to the transfer)
 - (b) there is an undisclosed association between Mr Dyer and Penstock and/or PPM that gives rise to a potential contravention of section 606 and
 - (c) there are potential contraventions of section 671B in relation to the substantial holding notices filed by PPM and Penstock.

Interim orders sought

10. The applicant sought interim orders including to restrain:
 - (a) the exercise of voting rights attached to, and any sale, disposal of, transfer, charge or any other dealing in, the Relevant Shares
 - (b) the acquisition of the Relevant Shares by any person and
 - (c) the acquisition of any other Adslot shares by Penstock, the sole director of Penstock and their associates.

Final orders sought

11. The applicant sought final orders including:
 - (a) corrective disclosure orders in relation to (among other things) Mr Dyer's relationship with Penstock, the identity of the beneficial owner of the Relevant Shares and details of any undisclosed association
 - (b) that the Relevant Shares be vested in ASIC for sale and

- (c) that any voting rights attached to the Relevant Shares be disregarded or removed.

DISCUSSION

12. We have considered all the materials but address specifically only those we consider necessary to explain our reasoning.

Interim orders

13. On 24 July 2026, Penstock, Mr Hobbs and Mrs Hobbs offered an undertaking in relation to the applicant's request for interim orders on the following terms (the **Undertaking**):

"Pending a determination of the applicant's application, Penstock Consulting Pty Ltd, Mr Hobbs and Mrs Hobbs undertake not to dispose of, transfer, charge or exercise a vote in relation to the 723,878,279 Adslot shares acquired on 29 June 2026, or acquire further Adslot shares, except with the consent of the Panel or the President."

14. The President decided to accept the Undertaking, in lieu of making interim orders. The President recognised the Undertaking did not cover the full extent of interim orders requested by the applicant; however, the President considered the Undertaking adequately preserved the status quo and that any further orders could be considered by the Panel once it had been appointed.

Association

15. The Panel's starting point for an association matter is that it is for the applicant to demonstrate a sufficient body of evidence of association and to convince the Panel as to that association, albeit with proper inferences being drawn (see *Mount Gibson Iron Limited* [2008] ATP 4 at [15]).
16. As a preliminary matter, the first difficulty with substantiating an association in this case is that the applicant had not clearly identified which persons formed part of the group of alleged associates. For example, it was unclear whether the association was between Mr Dyer and PPM, Mr Dyer and Penstock, PPM and Penstock or all three of Mr Dyer, Penstock and PPM. The indicia of association raised by the applicant (see paragraph 17) were relevant to some, but not all, of the possible groups of associates.
17. The indicia of association submitted by the applicant included that:
- (a) the Off-Market Transfer was priced only for nominal consideration and represented ~1/1,000th of the market value of the shares
 - (b) Mr Dyer was a common director to the boards of Adslot and PPM
 - (c) Mr Dyer was involved in introducing Penstock to PPM in relation to the Off-Market Transfer and provided *"dismissive and evasive responses to questions from the Applicant as to the Chairman's associations with both the buyer (Penstock) and the seller (PPM)"*
 - (d) there was a *"close personal and commercial relationship"* between Mr Dyer and Mr Hobbs

- (e) shortly before the Off-Market Transfer, Penstock changed its registered address and
 - (f) Penstock failed to disclose its ultimate beneficiary in its substantial holder notice.
18. We invited preliminary submissions from the parties on whether we should conduct proceedings.
19. PPM submitted that there was no association and that the decision to sell the Relevant Shares was made by PPM independently (by its Chief Investment Officer) and in its own commercial interests. It submitted that the context to the Off-Market Transfer was as follows:

“PPM contacted Mr Andrew Dyer in his capacity as Executive Chairman of Adslot to ask whether he was aware of any third parties who might be interested in acquiring the Parcel. He was not approached, nor authorised, in his capacity as a director of PPM to identify or introduce prospective buyers.

Mr Dyer provided the name of Mr Ralph Hobbs as a prospective buyer of the Parcel.

Prior to that introduction, PPM had no knowledge of, and no prior relationship with, Mr Hobbs or Penstock Consulting Pty Ltd (Penstock). They were entirely unknown to PPM.”

“PPM completed the transfer of the Parcel to Penstock with no knowledge of any connection between Mr Hobbs or Penstock and Mr Dyer beyond the introduction itself. PPM has had no contact with Mr Hobbs or Penstock since.”

20. Penstock also made preliminary submissions accompanied by a statutory declaration given by Mr Hobbs. The statutory declaration outlined Mr Hobbs’ recollection of the circumstances surrounding the Off-Market Transfer and stated that:

“...A few days before 29 June 2026, I received a telephone call from Andrew Dyer. Andrew Dyer is an acquaintance of mine, although I do not know him particularly well and do not see him regularly. I have seen him only twice, for any length of time, in 2026. The nature of my business is inherently social; it involves cultivating the acquaintanceship of a wide number of potential clients whom I do not know very well on a personal level, and Andrew Dyer is one such person. Andrew Dyer has no involvement in Penstock or any other business in which I am involved; apart from Penstock’s purchase of the shares in Adslot, I have no involvement in any business in which he is involved. He has purchased paintings from my art gallery, Nanda Hobbs, in the past, although he has not done so since April 2021. When Andrew Dyer telephoned me he said to me words to the effect: “Would you be interested in a tilt at Adslot? There is a parcel of shares coming up for sale.”...

...I was aware of Adslot because Sophie Hobbs had purchased a small portion of Adslot shares several years ago. Those shares were subsequently acquired by the company in a share buyback...

After my call from Andrew Dyer I received a call from a person who identified himself as working for PPM. I had heard of PPM only because at one point ‘Nanda Hobbs’ had an office in the same building in which PPM had an office. I had not previously dealt

with PPM. The PPM employee told me the number of Adslot shares that were offered and asked me to bid for them...

...

I have had no discussion at all with Andrew Dyer concerning what Penstock might do with its shares in Adslot or how it will exercise any voting rights attaching to those shares. I have no agreement or understanding with Andrew Dyer in relation to those matters. He has not asked me to do anything with the shares and I have not offered to do anything with the shares. I have not even turned my mind to those questions. I regard the Penstock purchase as nothing more than a low-value speculative investment."

21. Based on the materials, the actions of Mr Dyer did not appear to support an inference of association. We recognise that Mr Dyer was a common director of Adslot and PPM, but there was nothing in the materials to suggest his involvement in the Off-Market Transfer went beyond introducing PPM to a potential purchaser of Adslot shares which, of itself, did not take us very far. In addition, there was nothing in the application to support the claim that Mr Dyer and Mr Hobbs had a "close personal and commercial relationship" and we note this was denied in Penstock's submissions and Mr Hobbs' statutory declaration.
22. Given the apparent lack of disclosure in Penstock's substantial holding notice (see paragraphs 27-32), we queried whether it was possible that Mr Dyer was the ultimate beneficial holder of the Relevant Shares. Had there been any materials which suggested this was the case, it likely would have prompted us to make further inquiries. However, Mr Hobbs' statutory declaration stated that his wife, Sophie Hobbs holds the shares in Penstock in her capacity as trustee for a family trust and that neither Mr Dyer nor any person associated with Mr Dyer is a beneficiary of that trust.
23. In the absence of any materials to the contrary, we were inclined to accept Penstock's submissions. We also considered that the statutory declaration of Mr Hobbs gave additional force to Penstock's submissions in these proceedings. We reach this view having regard to the criminal consequences of making a false statement in a statutory declaration.
24. We did have some concerns regarding the significant discount at which the Relevant Shares were traded relative to market value. The applicant had provided a file note of a telephone call between the applicant and the interim CEO of Adslot. The file note indicated that the Adslot board was informed in early June 2026 of the possibility that PPM was thinking of selling its shares in Adslot, and that the purchase price would "[p]robably [be] for a nominal sum, because they just want to get out for tax loss purposes."
25. The statutory declaration of Mr Hobbs stated that when asked to bid for the shares (see paragraph 20):

"...My recollection is that I simply divided the trading value of that number of shares by one thousand, and offered that amount. There is only a small amount of cash in Penstock and I had no intention of making a larger bid. I thought that if the shares

turned out to have no or little value, I would lose very little, and if the shares did have value, the transaction would be worthwhile."

26. We considered that while the commerciality of the purchase price could be questioned, by itself, it was not sufficient for us to consider making further enquiries. Taken as a whole, there was a lack of material demonstrating any agreement, arrangement or understanding, or acting in concert, as between Mr Dyer, Penstock or PPM in relation to the affairs of Adslot.

Substantial holding disclosure

27. The applicant also submitted that the market is not informed as to the "*true (beneficial) owner of 12.24% of the issued share capital of Adslot*" and that the 'associates' section of each substantial holder notice lodged by Penstock and PPM is blank. The applicant also submitted the notices were not accompanied by documents required by section 671B(4).
28. As referenced above, the statutory declaration of Mr Hobbs stated that his wife was the sole shareholder, who held the shares on trust in her capacity as trustee of a family trust. This aligned with the company extract of Penstock provided as part of the application which indicated that Mrs Hobbs was the sole shareholder but did not hold the shares beneficially.
29. The substantial holder notice lodged by Penstock identified Penstock as the registered holder of the Relevant Shares, but it did not, for example, identify any persons with voting power of greater than 20% in Penstock who may also hold a relevant interest pursuant to section 608(3). Taken at face value, and in light of Mr Hobbs' statutory declaration, it appeared Penstock's substantial holding disclosure was incomplete.
30. A contravention of Chapter 6C can give rise to unacceptable circumstances,¹ but in deciding whether that is likely to be the case we need to have regard to, among other things, the purposes in section 602, the provisions of Chapter 6 and, more broadly, the role Parliament intended the Panel to perform.²
31. We may have enquired further into the potential technical breaches had we been provided with more probative evidence of association and the control effect on Adslot. However, we considered there was no reasonable prospect that we would make a declaration and orders solely in relation to the alleged disclosure deficiencies given:
 - (a) we were not satisfied that the *Mount Gibson* 'hurdle' test had been met in relation to the alleged association
 - (b) Penstock's voting power has been disclosed, and the voting power is less than 20% and

¹ Section 657A(2)(c) (referring to contraventions of Chapter 6C)

² *Auris Minerals Limited* [2018] ATP 7 at [23]

- (c) there is nothing to suggest that the amount of the disclosed voting power is incorrect.
32. We reiterate the importance of prompt and accurate disclosure to the market of substantial interests and strongly encourage market participants, including the parties in these proceedings, to exercise care in carrying out their obligations in this regard. We also note that ASIC may wish to make further enquiries in relation to whether the parties have complied, and are continuing to comply, with their substantial shareholder notice obligations.

DECISION

33. For the reasons above, we do not consider that there is any reasonable prospect that we would make a declaration of unacceptable circumstances. Accordingly, we have decided not to conduct proceedings in relation to the application under regulation 20 of the Australian Securities and Investments Commission Regulations 2001 (Cth).

Bruce Cowley
President of the sitting Panel
Decision dated 4 August 2026
Reasons given to parties 15 September 2026
Reasons published 1 October 2026

Takeovers Panel

Reasons – Adslot Ltd
[2026] ATP 14

Advisers

Party	Advisers
Andrew Barlow	N/A
Ralph Hobbs, Sophie Hobbs and Penstock Consulting Pty Ltd	Babingtons Lawyers
Private Portfolio Managers Pty Limited	Dentons Australia Limited