



Tuesday, 26 September 2006

Aztec Resources Limited 02 - Application Withdrawn

The Takeovers Panel (**Panel**) advises that it has consented to withdrawal of the application (**Application**) dated 14 September 2006 from Mount Gibson Iron Limited (**Mount Gibson**) in relation to its off-market takeover bid for all the ordinary shares in Aztec Resources Limited (**Aztec**).

Mount Gibson submitted that there were deficiencies in the disclosure made in Aztec's target's statement relating to issues including:

- (a) comparative share price charts used in the Aztec target's statement,
- (b) factors affecting the Aztec share price;
- (c) consolidation of the iron ore industry; and
- (d) approaches Aztec has received from third parties which may result in "alternative proposals" for Aztec.

Mount Gibson sought a declaration of unacceptable circumstances under section 657A of the *Corporations Act 2001* (Cth) and final orders including corrective disclosure.

Further Disclosure by Aztec

Without conceding that the disclosure in its target's statement was deficient, Aztec has issued a supplementary target's statement which (among other things):

- (a) provides further information concerning the comparative share price charts in Aztec's target's statement, and states that the Aztec directors cannot give any assurance that the Aztec share price will replicate those examples following commencement of production; and
- (b) addresses a number of other issues raised in the Application.

Consent to withdraw

In light of the further disclosure by Aztec described above, Mount Gibson requested the Panel's consent to the withdrawal of the Application.

The Panel considered that Aztec's further disclosure had ensured that the market and Aztec shareholders were adequately informed. The Panel considered that continuing the proceedings would not be likely to benefit the parties or their shareholders, or the

market generally. Accordingly, the Panel consented to Mount Gibson withdrawing the Application.

The sitting Panel in these proceedings was Brett Heading, Peter Mason AM and Alice McCleary (Sitting President).

The Panel will publish its reasons for decision on its website in due course.

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