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Tuesday, 17 April 2007

**Queensland Cotton Holdings Limited – Panel Receives Application**

The Takeovers Panel advises that it received an application last night from Louis Dreyfus Cotton International NV (**Louis Dreyfus**), a company incorporated in Belgium and a substantial holder of shares in Queensland Cotton Holdings Limited (**Queensland Cotton**), in relation to the affairs of Queensland Cotton (**Application**). Queensland Cotton is currently also the subject of a takeover bid by Olam International Limited (**Olam**), a company incorporated in Singapore, for all the shares in Queensland Cotton. Olam and Queensland Cotton announced the proposed bid on 7 March 2007. Olam lodged its bidder's statement on 30 March 2007 and Queensland Cotton lodged its target's statement on 3 April 2007.

On 16 April 2007, Queensland Cotton issued a media release on ASX in response to a media release by Louis Dreyfus in which Louis Dreyfus announced that it had communicated to the Queensland Cotton board its intentions to make a takeover bid for all of the shares in Queensland Cotton. Queensland Cotton attached a copy of the Louis Dreyfus media release.

In the Application Louis Dreyfus submits that:

- the lock-up device contained in the bid implementation agreement between Queensland Cotton and Olam (**Bid Implementation Agreement**) has an anti-competitive effect on the market for control of Queensland Cotton;
- the refusal of the Queensland Cotton Board to allow equal due diligence access to Louis Dreyfus, in reliance on the terms of the Bid Implementation Agreement, is causing the acquisition of control of Queensland Cotton to take place in a market that is not efficient, competitive and informed; and
- Queensland Cotton's target's statement in respect of the bid by Olam and its subsequent market announcement dated 16 April 2007 contains false or misleading disclosures, specifically in relation to the possible competing proposal by Louis Dreyfus.

Louis Dreyfus seeks a declaration of unacceptable circumstances. It seeks interim orders that all acceptances of the Olam offer be suspended and not capable of acceptance by Olam until the Panel has made a final decision in relation this application. Louis Dreyfus seeks final orders including that Queensland Cotton grant access to its confidential information to Louis Dreyfus on terms no less

favourable than were granted to Olam and Queensland Cotton shareholders who have accepted the Olam offer be permitted to withdraw their acceptances.

The Panel has not decided whether to conduct proceedings in relation to the Application and makes no comment on the merits of the Application. It also notes that it has not received submissions from other parties to the Application and it is, therefore, unaware of their views.

The President of the Panel has appointed Elizabeth Alexander AM (sitting President), Garry Besson and Alastair Lucas as the sitting Panel to consider the Application.

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