



Thursday, 25 October 2007

Golden Circle Limited 02 - Panel Receives Application

The Panel has received an application dated 24 October 2007 from Merim Pty Ltd (**Applicant**) in relation to the affairs of Golden Circle Limited (**Golden Circle**).

Golden Circle has convened a shareholder meeting, to be held on 29 October 2007 (**Shareholder Meeting**), for the purpose of seeking shareholder approval to a proposed recapitalisation and refinance involving Anchorage Capital Partners Pty Ltd (**Anchorage** and **Anchorage Proposal**). The Golden Circle board has previously announced the rejection of three proposals from Coca Cola Amatil Limited, and a proposal from a consortium comprising Pure & Natural Beverages and a private equity firm, that would have involved the acquisition of 100% of the shares in the company (**Proposed Alternative Transactions**). Golden Circle has advised the Panel that it received the Proposed Alternative Transactions after the announcement of the Anchorage Proposal and has provided advice to its shareholders on the Proposed Alternative Transactions.

In summary, the Applicant¹ submits that:

- (a) The Anchorage Proposal requires amendment to the terms of issued convertible notes, which in turn result in amendments to the Golden Circle constitution (**Convertible Notes**). The Applicant submits that this aspect of the Anchorage Proposal requires appropriate shareholder approval.
- (b) Golden Circle has not provided shareholders with sufficient information on the comparative advantages and disadvantages of all proposals, and the reasons why shareholders should support the Anchorage Proposal over the Proposed Alternative Transactions, to enable them to make an informed decision at the Shareholder Meeting.

The Applicant seeks a declaration of unacceptable circumstances, and interim orders delaying the Shareholder Meeting, and preventing Golden Circle (or Anchorage) from taking any action that may result in Anchorage acquiring a relevant interest in any Golden Circle voting shares, until the Panel has made a decision in respect of the Application. The Applicant seeks final orders including the following:

- (a) restricting Golden Circle from amending the terms of the Convertible Notes without full and complete disclosure of the amendments and their

¹ The Applicant is a beneficial holder of approximately 6% of the ordinary shares in Golden Circle.

implications, and the sanction of a special resolution of Golden Circle shareholders; and

- (b) requiring additional disclosure of information pertaining to the reasons for the Golden Circle board rejecting the Proposed Alternative Transactions, and the future directions and strategies that either Golden Circle or Anchorage have in relation to the company.

The Panel notes that it has received preliminary submissions from Golden Circle rejecting the submissions in the Application.

The Panel is not yet in a position to make any comment on the merits of the application.

The Panel has not decided whether to conduct proceedings in relation to the application.

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