



Wednesday, 18 June 2008

Lion Selection Limited 02 - Panel Receives Application

On 17 June 2008 the Takeovers Panel received an application from Lion Selection Limited in relation to its affairs. Lion is the subject of an off-market takeover bid by Indophil Resources NL.

Lion has convened a shareholders meeting for Monday, 23 June 2008 (see [TP08/54](#)).

On 30 May 2008 Indophil announced it had sent a letter to Lion shareholders, accompanied by a pre-populated form appointing Indophil as proxy and instructing it to vote against each of the Lion Plan resolutions. The letter was also accompanied by a pre-paid return envelope addressed to Indophil.

On 16 June 2008, Lion asked Indophil to lodge the proxy forms it had received with Lion. Indophil agreed, subject to Lion undertaking not to contact any shareholder who gave Indophil a proxy to vote against the Lion Plan resolutions.

Lion submits that the following constitutes unacceptable circumstances:

1. Indophil directing that proxy form be returned to Indophil (rather than Lion)
2. Indophil delaying the lodgement of proxy forms it received and
3. Indophil failing to undertake to lodge with Lion all further proxy forms it receives immediately after receipt.

Lion further submits the conduct described above affects the integrity of the voting process for the meeting and causes the acquisition of control over Lion's shares not to occur in an efficient, competitive and informed market.

Lion has sought orders that Indophil immediately lodge with Lion all proxy forms it has received and provide an undertaking that it will lodge with Lion all further proxy forms it receives immediately after receipt.

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.

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Editorial Note: Under section 250A(3) of the *Corporations Act 2001 (Cth)*, an undated appointment of a proxy is taken to have been dated on the day it is given to the company convening the meeting. Section 250A(7) provides that a later appointment revokes an earlier one if both appointments could not be validly exercised at the meeting.