



Australian Government

Takeovers Panel

MEDIA RELEASE

No: 04/2011

Tuesday, 11 January 2011

Brockman Resources Limited - Panel Receives Application

The Panel has received an application from Brockman Resources Limited in relation to its affairs. Brockman is currently the subject of an off-market takeover bid by Wah Nam International Holdings Limited, announced on 10 November 2010.

Brockman submits that (among other things):

- Wah Nam and Leading Pride Limited are associates in relation to Brockman and have acquired shares in breach of s606 (20% prohibition)
- Wah Nam arranged for Star Ray International Limited to purchase Brockman shares at a time when Wah Nam was constrained by s606, Wah Nam and Star Ray are associates in relation to Brockman and Wah Nam has acquired shares in breach of s606 and
- Brockman shareholders which have addresses at, or connections with parties having their address at 7500A Beach Road, Singapore (Beach Road Shareholders) are associates in relation to Brockman, have a substantial holding in Brockman and have breached s671B (substantial holding provisions) by failing to submit a substantial holder notice.

Brockman submits that the conduct of Wah Nam and Leading Pride, Wah Nam and Star Ray and the Beach Road Shareholders has given rise to unacceptable circumstances:

- because there are serious and ongoing breaches of the provisions of Chapter 6 and Chapter 6C
- due to the effects of the conduct in relation to the acquisition of a substantial interest in Brockman (s657(2)(a)) and
- having regard to the purposes of Chapter 6 as set out in s602.

Brockman seeks interim orders:

- preventing the Brockman shares held legally or beneficially by Leading Pride, Star Ray and the Beach Road Shareholders from being transferred or disposed during the course of the proceedings (including by being accepted into Wah Nam's offer) and
- preventing Wah Nam from declaring its offer unconditional or processing any acceptances.

Brockman seeks final orders including:

- an order divesting all of the Brockman shares acquired by Wah Nam, Leading Pride and Star Ray in excess of the number permitted under the Corporations Act
- an order that the Brockman shares held by the Beach Road Shareholders may not be accepted into Wah Nam's offer
- an order divesting the Brockman shares held by the Beach Road Shareholders that were acquired while in breach the substantial holding provisions of the Corporations Act
- an order that, following divestment of the Brockman shares, the Beach Road Shareholders submit a substantial shareholder notice in accordance with s671B disclosing full details of their substantial holding in Brockman and
- an order that all acceptances of Wah Nam's offer prior to the conclusion of the proceedings are invalid, or an order allowing Brockman shareholders to withdraw any acceptances.

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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