



Australian Government

Takeovers Panel

MEDIA RELEASE

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Mintails Limited - Panel Receives Application

The Panel has received an application from Mr Seager Rex Harbour in relation to the affairs of Mintails Limited.

Mintails was recently the subject of a takeover bid by Mr Harbour, who has a relevant interest in 38.78% of Mintails. On 2 May 2011, Mintails announced a 1 for 4 renounceable rights issue at \$0.16 per share to raise approximately \$4.7 million. It will be underwritten by Trinity Asset Management Pty Ltd, or its nominee.

Mr Harbour submits, among other things, that Mintails has not taken reasonable steps to minimise the significant potential control impact of the rights issue, which exceeds what is reasonably necessary for the fundraising purposes of Mintails. He also submits that shareholders of Mintails have been given insufficient information to enable them to assess the underwriting and a Convertible Note agreement under which Trinity, as assignee, may obtain up to 20% of the shares in Mintails.

Mr Harbour seeks an interim order to the effect that no further steps be taken to progress the rights issue.

Mr Harbour seeks final orders, including in effect that:

- Mintails seek additional underwriters
- the rights issue include dispersal strategies to minimise its control impact and
- Mintails provide further disclosure in relation to the Convertible Note agreement.

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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