



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP13/07

Friday, 12 April 2013

World Oil Resources Limited – Further Declaration of Unacceptable Circumstances

The Panel has made a further declaration of unacceptable circumstances (Annexure A) in relation to the application dated 14 March 2013 by Holdrey Pty Ltd, as trustee for the Don Mathieson Family Trust, in relation to the affairs of World Oil Resources Limited (see [TP13/04](#)). The first declaration related to the rights issue announced by World Oil on 12 March 2013 (see [TP13/05](#)). This further declaration relates to association between various World Oil shareholders.

World Oil is a listed company (ASX Code: WLR). Holdrey applied to the Panel for a declaration of unacceptable circumstances and made submissions, including that various shareholders of World Oil – Rokeba Nominees Pty Ltd (13.97%), Templefield Pty Ltd (3.59%), Bisan Limited (2.56%), Elken Tower Pty Ltd (3.85%), Ariel Nominees Pty Ltd (2.56%) and New Hopetoun Pty Ltd (2.56%) – may be associates and may have acquired shares in breach of s606.¹

The Panel considers that:

- (a) Maurice Silman and Ariel Silman
- (b) Maurice Silman and Ezra Silman and
- (c) Maurice Silman and Bisan

are associated:

- (d) under section 12(2)(b) for the purpose of controlling or influencing the composition of World Oil's board or the conduct of World Oil's affairs and
- (e) under section 12(2)(c) in relation to the affairs of World Oil.

Accordingly, Maurice Silman, Rokeba and Templefield have voting power of 29.10% in World Oil shares and acquired this power otherwise than as permitted under Chapter 6.

The Panel considers that it is not against the public interest to make a declaration of unacceptable circumstances. It has had regard to the matters in section 657A(3).

¹ references are to sections of the *Corporations Act 2001* (Cth) unless otherwise indicated

Final Orders

The Panel is considering what final orders to make and will publish details in due course.

The sitting Panel is David Friedlander (sitting President), Julie McPherson and Tony Osmond.

The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

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Annexure A

**CORPORATIONS ACT
SECTION 657A
FURTHER DECLARATION OF UNACCEPTABLE
CIRCUMSTANCES**

WORLD OIL RESOURCES LIMITED

CIRCUMSTANCES

1. The shareholders of World Oil Resources Limited (**World Oil**) include:
 - (a) Rokeba Nominees Pty Ltd (**Rokeba**) (13.97% of World Oil's issued shares), a company of which Maurice Silman is a director and the sole shareholder
 - (b) Templefield Pty Ltd (**Templefield**) (3.59%), a company of which Maurice Silman is a director and 75% shareholder (his wife holds the remaining 25%)
 - (c) Ariel Nominees Pty Ltd (**Ariel Nominees**) (2.56%), a company of which Ariel Silman, a son of Maurice Silman, is the sole director and shareholder
 - (d) New Hopetoun Pty Ltd (**New Hopetoun**) (2.56%), a company of which Ezra Silman, another son of Maurice Silman, is the sole director and shareholder
 - (e) Bisan Limited (**Bisan**) (2.56%), a listed company of which Maurice Silman is a director and which Rokeba, Templefield, Ariel Nominees and New Hopetoun are shareholders (in aggregate 29.56%) and
 - (f) Elken Tower Pty Ltd (**Elken**) (3.85%), a company of which Maurice Silman is a director and Bisan is the sole shareholder.
2. The entities listed in paragraph 1 acquired their shareholdings in World Oil as follows:
 - (a) Rokeba commenced acquiring shares on 14 September 2011 and on 6 September 2012 held 16.90%
 - (b) Templefield commenced acquiring shares on 10 October 2011 and at least by 25 September 2012 held 1.48%. The substantial holder notices lodged by Rokeba prior to the notice dated 2 October 2012 did not disclose Templefield's interest
 - (c) Ariel Nominees and New Hopetoun were gifted their holdings by Rokeba on 7 September 2012, reducing Rokeba's holding to 11.78%

- (d) From September 2012 to March 2013 Rokeba increased its holding to 13.97% and Templefield increased its holding to 3.59%
 - (e) Bisan acquired its holding on 6 and 7 March 2013 and
 - (f) Elken has had its holding since 1998.
3. Maurice and Ariel Silman each have (through their respective entities) investments in World Oil, Bisan and Lemarne Corporation Ltd (**Lemarne**). Investments in Bisan and Lemarne occurred at similar times. Ariel Silman's investments in World Oil, Bisan and Lemarne were gifted to him by Maurice Silman or Maurice Silman provided the funds for their acquisition. Silkman Consultants Pty Ltd (**Silkman Consultants**), an entity associated with Ariel Silman, holds options in Cohiba Minerals Ltd (**Cohiba**).
 4. Maurice and Ezra Silman each have (through their respective entities) investments in World Oil, Bisan and Cohiba. Investments in Cohiba occurred at similar times. Maurice Silman and Cohiba have investments in Altius Mining Ltd. Ezra Silman's investments in World Oil, Bisan and Cohiba were gifted to him by Maurice Silman or Maurice Silman provided the funds for their acquisition.
 5. Silkman Consultants provides services to World Oil. Global Constructive Solutions Pty Ltd (**Global Constructive Solutions**), an entity also associated with Ariel Silman, provides services to World Oil, Bisan, Elken, Lemarne and Cohiba.
 6. The collective shareholding of Maurice Silman, Ariel Silman and Ezra Silman (through their respective entities) and of Bisan and Elken in World Oil increased to over 20% in August 2012. Shortly after that time:
 - (a) 3 of 4 World Oil directors resigned
 - (b) 2 new directors were appointed
 - (c) a company secretary employed by Global Constructive Solutions was appointed and
 - (d) a change in registered address to the address used by Global Constructive Solutions occurred.
 7. A similar pattern of investments, director resignations and appointments, changes in company secretary and changes in registered address occurred in Bisan, Lemarne and Cohiba.
 8. The Panel considers that:
 - (a) Maurice Silman and Ariel Silman
 - (b) Maurice Silman and Ezra Silman and
 - (c) Maurice Silman and Bisan
 are associated:

- (d) under section 12(2)(b)² for the purpose of controlling or influencing the composition of World Oil's board or the conduct of World Oil's affairs and
 - (e) under section 12(2)(c) in relation to the affairs of World Oil.
9. Accordingly, Maurice Silman, Rokeba and Templefield have voting power of 29.10% (the aggregate of the shareholdings stated in paragraph 1) in World Oil shares and acquired this power otherwise than as permitted under Chapter 6.
 10. The rights issue announced by World Oil on 12 March 2013 provides shareholders with an opportunity to acquire World Oil shares on a pro-rata basis. That Maurice Silman, Rokeba and Templefield have voting power of 29.10% in World Oil entitles them to benefit from a breach of s606.
 11. Substantial holder notices lodged by Rokeba have not disclosed all the relevant interests in the shares held by Rokeba and its associates. Rokeba addressed one of these deficiencies in an updated substantial holder notice dated 5 April 2013.
 12. No initial substantial holder notice or change in substantial holding notice has been lodged by Ariel Silman, Ezra Silman or Bisan disclosing the association with Maurice Silman. As a result, the market has been uninformed in relation to the control of World Oil.
 13. It appears to the Panel that the circumstances are unacceptable having regard to:
 - (a) the effect that the Panel is satisfied the circumstances have had, are having, will have or are likely to have on the control, or potential control, of World Oil
 - (b) the purposes of Chapter 6 set out in section 602 and
 - (c) because they constitute or give rise to contraventions of sections 606 and 671B.
 14. The Panel considers that it is not against the public interest to make a declaration of unacceptable circumstances. It has had regard to the matters in section 657A(3).

OTHER MATTERS

15. On 4 April 2013 the Panel made a declaration of unacceptable circumstances in relation to the rights issue announced by World Oil on 12 March 2013 and noted that proceedings in relation to the allegations of association were continuing.

² References are to sections of the *Corporations Act 2001* (Cth) unless otherwise indicated.

DECLARATION

The Panel declares that the circumstances constitute unacceptable circumstances in relation to the affairs of World Oil.

Allan Bulman
Director
with authority of David Friedlander
President of the sitting Panel
Dated 12 April 2013