



**Australian Government**

**Takeovers Panel**

# MEDIA RELEASE

---

**No: TP13/21**

**Wednesday, 12 June 2013**

## **Laneway Resources Limited – Panel Receives Application and Accepts Undertaking in Lieu of Interim Order**

The Panel has received an application from the Australian Securities and Investments Commission in relation to the affairs of Laneway Resources Limited. The application concerns a 16 for 1 renounceable entitlement offer by Laneway.

Details of the application, as submitted by the applicant, are below.

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.

### **Details**

On 6 June 2013 Laneway announced a 16 for 1 renounceable entitlement offer at a price of \$0.02 per share to raise approximately \$22 million. The entitlement offer is underwritten to \$20.3 million by Bizzell Capital Partners Pty Ltd and sub-underwritten to \$18.9 million by Bizzell Nominees Pty Ltd. Bizzell Capital Partners and Bizzell Nominees are controlled by Mr Stephen Bizzell, Chairman of Laneway.

The sub-underwriting arrangement is equivalent in amount to the amount owed by Laneway to Bizzell Nominees and appears to involve the 'conversion' of this amount rather than the subscription by the underwriter (and sub-underwriter) for the shortfall.

According to the prospectus dated 6 June 2013 lodged by Laneway, entities related to Mr Stephen Bizzell will potentially increase their voting power in Laneway from approximately 23.73% to up to 86.45%.

ASIC submits, among other things, that the entitlement offer is principally and commercially designed to enable entities related to Mr Stephen Bizzell to convert

debt to equity in a manner that is expected to result in the acquisition of a controlling interest in Laneway. ASIC further submits, among other things, that:

- entities are seeking to rely on either or both of items 10 and 13 of s611<sup>1</sup>, with the result that non-associated shareholders will be denied a reasonable and equal opportunity to participate in benefits under the entitlement offer afforded to the entities, or make a fully informed decision to approve the acquisition of control of Laneway by the entities, and
- the purported reliance on items 10 and 13 of s611 is for a purpose beyond, and inconsistent with, the purpose for which the exceptions were created.

ASIC sought interim orders that Laneway defer the commencement date for renounceable rights trading and the record date for the entitlement offer until the earlier of the Panel deciding not to conduct proceedings and, if the Panel decides to conduct proceedings, the determination of those proceedings. Laneway has provided an undertaking to the Panel to this effect (refer Annexure).

ASIC seeks a final order that the entitlement offer be withdrawn and the non-associated shareholders of Laneway approve the conversion of debt to equity by Bizzell Nominees for the purpose of item 7 of s611.

Alan Shaw  
Counsel, Takeovers Panel  
Level 10, 63 Exhibition Street  
Melbourne VIC 3000  
Ph: +61 3 9655 3535  
[alan.shaw@takeovers.gov.au](mailto:alan.shaw@takeovers.gov.au)

---

<sup>1</sup> References are to the *Corporations Act 2001* (Cth) unless otherwise specified



**Australian Government**

**Takeovers Panel**

## **Annexure**

### **AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT 2001 (CTH) SECTION 201A UNDERTAKING**

#### **LANEWAY RESOURCES LIMITED**

Laneway Resources Limited (**Laneway**) undertakes to the Panel that the commencement date for renounceable rights trading and the record date in relation to the 16 for 1 rights issue announced by Laneway on 6 June 2013 will not occur until after the earlier of:

- (a) the Panel deciding not to conduct proceedings in relation to this matter and
- (b) if the Panel decides to conduct proceedings, the determination of those proceedings.

Laneway agrees to confirm in writing to the Panel when it has satisfied its obligations under this undertaking.

**Signed by Richard Anthon, Director of Laneway Resources Limited  
with the authority, and on behalf, of  
Laneway Resources Limited  
Dated 12 June 2013**