

## MEDIA RELEASE

No: TP16/27

Monday, 2 May 2016

## Condor Blanco Mines Limited - Panel Receives Application

The Panel has received an application from Mr Joshua Farquhar in relation to the affairs of Condor Blanco Mines Limited.

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**

Condor Blanco has made the following announcements regarding the issue of shares:

- on 25 August 2015, 24,504,353 shares (or 36.3% of the then current capital) had been issued
- on 8 September 2015, 6,800,000 shares (or 9.2% of the then current capital) had been issued
- on 23 September 2015, 13,924,000 shares (or 15.8% of the then current capital) had been placed to professional and sophisticated investors, and 2,200,000 shares (or 2.9% of the then current capital) had been issued by way of placement in lieu of cash for payment of invoices
- on 25 September 2015, 45,000,000 shares (or 33.2% of the then current capital) each at \$0.025 were placed in escrow held by ECM (Nominees) Pty Ltd (the **Nominee**) pending the finalisation of confidential agreements on funding, project acquisitions and/or vendor consideration to unrelated and unassociated parties. On 1 March 2016, Condor Blanco announced that 17,062,641 of these shares had been cancelled and
- on 1 March 2016, 50,000,000 shares (or 29.1% of the then current capital) each at \$0.01 were placed in escrow held by the Nominee pending the finalisation of confidential agreements on funding, project acquisitions and/or vendor consideration to unrelated and unassociated parties.

The applicant raises a number of issues including that:

- Condor Blanco has issued shares, including the issue of over 20% of shares to the Nominee, without shareholder approval, in contravention of the Corporations Act and
- there has been misleading and incomplete disclosure regarding, among other things, the number of shares on issue, the terms of issue of shares and the identities of substantial shareholders.

The applicant seeks interim orders restraining any dealings with the escrowed shares, Condor Blanco from issuing any further shares or options or registering any transfer of the escrowed shares and the directors from taking any oppressive action against the shareholders of Condor Blanco.

The applicant seeks final orders that Condor Blanco make corrective disclosure and convene a general meeting of shareholders at which all current directors shall offer themselves for re-election.

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