



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP17/29

Wednesday, 14 June 2017

Molopo Energy Limited 01 & 02 - Orders

The Panel made a declaration of unacceptable circumstances on 30 May 2017 in relation to applications dated 11 April 2017 by ASIC and Molopo Energy Limited regarding the affairs of Molopo.

In summary, the Panel considered that the involvement of Mr Nicholas Bolton (or Mr Bolton together with Mr John Patton) in Keybridge Capital Limited and Aurora Funds Management Limited¹ gave rise to unacceptable circumstances in relation to the affairs of Molopo (see [TP17/26](#)).

Orders

The Panel has made orders (Annexure A), the effect of which includes:

- 3,666,285 Molopo shares held by Keybridge and 39,540,910 Molopo shares held by Aurora (being the number of Molopo shares acquired by Keybridge and Aurora respectively since the sale of Aurora by Keybridge on 30 June 2016)² are to be vested in ASIC to sell (using an investment bank or stock broker) and return the proceeds net of costs to the respective owners and
- restricting Keybridge from voting 3,666,285 Molopo shares and Aurora from voting 39,540,910 Molopo shares at Molopo's annual general meeting.

In light of the review applications by Molopo and Keybridge, the Panel has stayed the operation of the divestment-related orders.

Keybridge and Aurora are released from their undertakings given to the Panel on 19 April 2017 (see [TP17/19](#))

The sitting Panel was Shirley In't Veld, Karen Phin and John Sheahan QC (sitting President).

¹ including as responsible entity for the Aurora Fortitude Absolute Return Fund and Aurora Global Income Trust
² but for a parcel of 418,385 Molopo shares acquired by Aurora on 20 July 2016 as a result of the unwinding of an equity derivative

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 657D ORDERS

MOLOPO ENERGY LIMITED 01 & 02

The Panel made a declaration of unacceptable circumstances on 30 May 2017.

DIVESTMENT ORDERS

1. The Sale Shares are vested in the Commonwealth on trust for Keybridge and Aurora respectively.
2. ASIC must:
 - (a) sell the Sale Shares in accordance with these orders and
 - (b) account to Keybridge and Aurora respectively for the proceeds of sale, net of the costs, fees and expenses of the sale and any costs, fees and expenses incurred by ASIC and the Commonwealth (if any).
3. ASIC must:
 - (a) retain an Appointed Seller to conduct the sale and
 - (b) instruct the Appointed Seller:
 - (i) to use the most appropriate sale method to secure the best available sale price for the Sale Shares that is reasonably available at that time in the context of complying with these orders, including the stipulated timeframe for the sale and the requirement that none of the Relevant Parties or their respective associates may acquire, directly or indirectly, any of the Sale Shares
 - (ii) to provide to ASIC a statutory declaration that, having made proper inquiries, the Appointed Seller is not aware of any interest, past, present, or prospective which could conflict with the proper performance of the Appointed Seller's functions in relation to the disposal of the Sale Shares
 - (iii) unless the Appointed Seller sells Sale Shares on market, that it obtain from any prospective purchaser of Sale Shares a statutory declaration that the prospective purchaser is not associated with any of the Relevant Parties and

- (iv) to dispose of all of the Sale Shares within 6 months from the date of its engagement.
4. The Company and the Relevant Parties must do all things necessary to give effect to these orders, including:
 - (a) doing whatever is necessary to ensure that the Commonwealth is registered with title to the Sale Shares in the form approved by ASIC and
 - (b) until the Commonwealth is registered, complying with any request by ASIC in relation to the Sale Shares.
 5. None of the Relevant Parties or their respective associates may, directly or indirectly, acquire any of the Sale Shares.
 6. The Relevant Parties must not otherwise dispose of, transfer or charge any Sale Shares.
 7. None of the Relevant Parties may take into account any relevant interest or voting power that any of them or their respective associates had, or have had, in the Sale Shares when calculating the voting power referred to in Item 9(b) of s611 of the *Corporations Act 2001* (Cth), of a person six months before an acquisition exempted under Item 9 of s611.
 8. Nothing in these orders obliges ASIC to invest, or ensure interest accrues on, any money held in trust under these orders.

AGM VOTING ORDERS

9. At the Company's annual general meeting:
 - (a) Keybridge must vote no more than 46,017,543 ordinary shares¹ in the issued capital of Company on any resolution and
 - (b) Aurora must vote no more than 5,088,921 ordinary shares² in the issued capital of Company on any resolution.
10. If, notwithstanding order 9, any voting rights greater than the number of shares specified in order 9 are exercised by Keybridge or Aurora, the Company must disregard those votes.

Period for which orders have effect

11. Orders 1 to 5 and 8 are stayed until further order by the Takeovers Panel.
12. All other orders come into effect immediately.

¹ This number of shares represents Keybridge's current holding of ordinary shares in the Company, less the number of Sale Shares ascribed to Keybridge.

² This number of shares represents Aurora's current holding of ordinary shares in the Company, less the number of Sale Shares ascribed to Aurora.

Interpretation

13. In these orders the following terms apply.

Appointed Seller	an investment bank or stock broker
ASIC	Australian Securities and Investments Commission, as agent of the Commonwealth
Aurora	Aurora Funds Management Ltd, including as responsible entity for the Aurora Fortitude Absolute Return Fund and Aurora Global Income Trust
Company	Molopo Energy Limited
Keybridge on market	Keybridge Capital Limited in the ordinary course of trading on Australian Securities Exchange and not by crossing or special crossing
Relevant Parties	Keybridge and Aurora
Sale Shares	3,666,285 ordinary shares in the issued capital of Company held by Keybridge 39,540,910 ordinary shares in the issued capital of Company held by Aurora

Allan Bulman
Director
with authority of John Sheahan QC
President of the sitting Panel
Dated 14 June 2017