



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP18/64

Tuesday, 4 September 2018

Bullseye Mining Limited 02 – Panel Receives Application

The Panel has received an application from Hongkong Xinhe International Investment Company Limited in relation to the affairs of Bullseye Mining Limited. Bullseye (an unlisted public company) is currently the subject of an off-market takeover bid by Opus Resources Pty Ltd, a wholly owned subsidiary of Red 5 Limited (ASX:RED). The application relates to resolutions 1 and 2 in a notice of meeting issued by Bullseye to convene a general meeting to be held on 17 September 2018. The applicant holds 21.74% of Bullseye's shares.

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

Resolutions 1 and 2 seek shareholder approval of two related and inter-conditional transactions: the issue of 150 Mullan Convertible Notes (fully underwritten by Mr Desmond Mullan) with a face value of GBP100,000 each to raise GBP15,000,000, and a Gold Prepayment Deed constituting the grant by Bullseye to Mr Mullan (or his associate) of an option to provide AUD100,000,000 funding to Bullseye in the form of a gold prepayment facility (collectively the Mullan Proposal).

The applicant submits that the Mullan Proposal has significant control implications and the process for shareholder approval should comply with the principles in section 602.¹ The applicant submits that the notice of meeting fails to do so and is deficient in other respects, including that it does not seek approval in accordance with item 7 of section 611, Chapter 2E or Part 2J.3, and is misleading and deceptive.

The applicant seeks interim orders that Bullseye shareholders do not vote on resolutions 1 and 2 until the circumstances it complains of have been addressed.

¹ All statutory references are to the *Corporations Act 2001* (Cth)

The applicant seeks final orders requiring, among other things, supplementary disclosure and reasonable time for Bullseye shareholders to consider it, shareholder approval under item 7 of section 611, Chapter 2E and section 260B, and that Bullseye be prevented from counting votes in favour of resolutions 1 or 2 cast by or on behalf of Mr Mullan or his associates.

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