



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP19/03

Wednesday, 23 January 2019

IndiOre Limited – Panel Receives Application

The Panel has received an application from Mr Benjamin Pauley in relation to the affairs of IndiOre 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

On 27 November 2018, at IndiOre’s annual general meeting, IndiOre shareholders passed a resolution approving the issue of convertible notes with a combined face value of \$6 million to First Samuel Limited pursuant to ASX Listing Rule 7.1. IndiOre stated that it intended to use the funds towards its Phase 3 wet plant expansion, mine development and general working capital.

Depending on IndiOre’s share price at the date of conversion, the applicant submits that First Samuel has the potential to obtain a controlling stake in IndiOre upon conversion of the notes.

On 10 December 2018, IndiOre’s securities were placed in a trading halt, and later suspended from quotation, pending the release of an announcement.

On 7 January 2019, IndiOre announced that it had completed its drilling program, the results did not justify mining on any of the project areas and it had immediately cancelled the Phase 3 project.

The applicant submits that at least some of the circumstances leading to the changes to IndiOre’s business and suspension must have been known at the time of the meeting. Accordingly, he submits that IndiOre’s shareholders were “effectively misled” when they voted to approve the issue of convertible notes.

The applicant seeks a final order for the resolution to be put to shareholders again on a fully informed basis.

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