



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP20/67

Friday, 30 October 2020

Cardinal Resources Limited 02 - Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 26 October 2020 from Nord Gold S.E. (**Nordgold**) in relation to the affairs of Cardinal Resources Limited (**Cardinal**).

Cardinal is the subject of competing takeover bids from Nordgold and Shandong Gold Mining (HongKong) Co., Limited (**Shandong**). On 19 October 2020, Shandong lodged its Second Supplementary Bidder's Statement in respect of its off-market takeover bid for Cardinal which stated that its \$1.00 per share offer price was best and final in the absence of a higher competing offer. On 21 October 2020, Nordgold increased the price under its unconditional on-market takeover bid for Cardinal from \$0.90 to \$1.00 per share.

On 23 October 2020 at approximately 3.59pm, Cardinal made an announcement that it had received shareholder intention statements from 28 of its shareholders (representing 19.38% of its shares) (**Accepting Shareholders**) to the effect that the Accepting Shareholders intend to accept the Shandong offer by 30 October 2020 (unless the Shandong offer was otherwise extended), subject to either Nordgold not increasing the offer price under its takeover offer above \$1.00 per share or there being no superior proposal (see [TP20/64](#)).

Following the application to the Panel, at approximately 9.20am on 26 October 2020, Nordgold made an announcement which stated that its \$1.00 per share offer price was best and final in the absence of a higher competing offer (**Last and Final Statement**).

At approximately 8.23pm on 26 October 2020, Shandong made an announcement that it was extending the offer period under its bid until 7.00pm (Sydney time) on 31 December 2020.

The Panel considered (among other things) that:

- there was not sufficient evidence that Cardinal's solicitation of shareholder intention statements from the Accepting Shareholders involved conduct that is unacceptable

- if there was no superior proposal in excess of \$1.00 per share prior to 5.30pm (AEDT) on Thursday, 29 October 2020 then Accepting Shareholders would have until 31 December 2020 to accept the offer by Shandong
- it was not prima facie unreasonable for Cardinal to solicit statements from its shareholders at a time prior to Nordgold making its Last and Final Statement and
- there was insufficient material provided on the question of association for the Panel to conduct proceedings on this issue.

The Panel did not express an opinion on whether shareholders who make intention statements in bids will be bound by the statements irrespective of whether they are substantial shareholders.

The Panel concluded there was no reasonable prospect that it would make a declaration of unacceptable circumstances. Accordingly, the Panel declined to conduct proceedings.

The sitting Panel was Jeremy Leibler, Karen Phin (sitting President) and Sarah Rennie.

The Panel will publish its reasons for the decision in due course on its website www.takeovers.gov.au.

Allan Bulman
Director, Takeovers Panel
Level 16, 530 Collins Street
Melbourne VIC 3000
Ph: +61 3 9655 3500
takeovers@takeovers.gov.au