



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP20/80

Monday, 23 November 2020

Cardinal Resources Limited 07 – Panel Receives Application

The Panel has received an application from Cardinal Resources Limited in relation to its affairs (ASX/TSX: CDV).

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

Cardinal is the subject of competing takeover bids from Nord Gold S.E. (**Nordgold**) and Shandong Gold Mining (HongKong) Co., Limited (**Shandong**).

On 30 October 2020, Samson Rock Capital LLP and Cardinal each made an application to the Panel regarding the affairs of Cardinal (*Cardinal 03* and *Cardinal 04* – see [TP20/69](#) and [TP20/71](#) respectively).¹

On 2 November 2020, Shandong made an application to the Panel regarding the affairs of Cardinal (*Cardinal 05* – see [TP20/72](#)).

On 3 November 2020, Nordgold executed a notice of appearance in the standard form appearing on the Panel’s website (which contains the Panel’s confidentiality and media canvassing undertakings) in respect of *Cardinal 03 & 04* (**Nordgold Undertakings**).

On 17 November 2020, the Panel announced that it had declined to conduct proceedings in relation to *Cardinal 03 & 04* and *Cardinal 05* (see [TP20/76](#) and [TP20/77](#) respectively).

On 18 November 2020, Cardinal sought a review of the Panel’s decision in *Cardinal 03 & 04* (*Cardinal 06R* – see [TP20/78](#)) (**Review Application**) which was announced at approximately 3.42pm that same day.

¹ The Panel decided to hear the *Cardinal 03* and *Cardinal 04* applications together under Regulation 16 of the *Australian Securities and Investments Commission Regulations 2001* (Cth)

Also on 18 November 2020 at approximately 5.50pm, Nordgold made an announcement extending the closing date for its on-market bid for Cardinal to 7 December 2020 (**Nordgold Announcement**). The Nordgold Announcement contained statements, including that:

... Nordgold's on-market offer has been extended by seven days and will now close on Monday 7 December 2020, ahead of results being determined for the 2020 Ghanaian General Election which is scheduled to take place on the same day...;

... the Takeovers Panel has determined not to consider the applications made by Cardinal and Shandong, announced on 30 October and 2 November 2020, respectively.¹ Therefore the offers made by Shandong and Nordgold are determined best and final...;

... Nordgold's on-market offer therefore provides shareholders with the quickest and most expedient route to securing the full cash payment for tendered shares...;

... Nordgold also intends to provide an off-market alternative for shareholders who prefer this option. The terms of this alternative will be commercially the same as those offered by Shandong and will have expedited payment terms. Nordgold received approval from ASIC to conduct the simultaneous off-market bid on 18 November 2020...; and

... With both Nordgold and Shandong's offers best and final, we hope that the takeover can now be concluded successfully...

Footnote 1 to the Nordgold Announcement stated that *"Cardinal has applied to the Takeovers Panel seeking a review of the Takeovers Panel's determination in relation to the applications made on 30 October 2020..."*

Cardinal submits (among other things) that the Nordgold Announcement has resulted in an uninformed market and was designed to signal to the market that the Panel had *"conclusively determined that the offers made by Shandong and Nordgold were best and final"* and that there was no merit in the Cardinal 04 or Cardinal 05 applications by *"deliberately describing the Panel's decline to conduct proceedings decisions as the Panel determining not to consider the Applications"*. Cardinal also submits that the Nordgold Announcement was made prior to the Panel publishing its reasons in respect of Cardinal 03 & 04 and Cardinal 05 and at a time in which the Nordgold Undertakings still applied.

Cardinal seeks final orders that Nordgold be required to retract the statements made in the Nordgold Announcement and issue a corrective release.

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