



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP23/028

Monday, 21 August 2023

Bullseye Mining Limited 06 – Panel Receives Application

The Panel has received an application from Mr Desmond Mullan in relation to the affairs of Bullseye Mining Limited (**Bullseye**). Bullseye is currently the subject of an off-market takeover bid by Emerald Resources NL (ASX:EMR) (**Emerald**).

Details of the application, as submitted by the applicant, are outlined 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

Bullseye is an unlisted public company with more than 50 shareholders. The applicant is the fourth largest shareholder of Bullseye.

The Panel has dealt with a number of previous applications in relation to the affairs of Bullseye, including relevantly in relation to a previous off-market takeover bid by Emerald (see [TP22/012](#), [TP22/025](#) and [TP22/037](#)).

On 27 July 2023, Emerald announced, among other things, that:

- it intended to launch an off-market takeover bid for all shares in Bullseye that it does not currently own, the consideration for which is 1 Emerald share for every 4 Bullseye shares (**Emerald Offer**)
- an independent board committee of Bullseye has recommended that Bullseye shareholders accept the Emerald Offer in the absence of a superior proposal
- Bullseye, Emerald, AU Xingao Investment Pty Limited (**Au Xingao**) and Hongkong Xinhe International Investment Company Limited (**Xinhe**) had reached agreement to settle litigation between them, and 22,800,000 Bullseye shares were issued to Au Xingao as consideration for the settlement, and

- Au Xingao and Xinhe have provided Emerald with shareholder intention statements confirming that they intend to accept the Emerald Offer in the absence of a superior proposal.

The applicant submits that, among other things:

- Emerald, Bullseye, the Bullseye directors, Au Xingao and Xinhe are associated, and therefore have an aggregated voting power of at least 75.54% in Bullseye
- Emerald's bidder's statement released on 18 August 2023 contains certain deficiencies, including in relation to statements around Bullseye's independent board committee, and
- Emerald, through its control of Bullseye, has given a collateral benefit to both Au Xingao and Xinhe through the settlement of litigation, including the issuance of Bullseye shares as consideration for the settlement.

The applicant submits that the circumstances constitute a contravention of section 606 (and other provisions of Chapters 6-6C) and are contrary to the principles in section 602.

The applicant seeks interim orders to the effect that Au Xingao and Xinhe must not accept the Emerald Offer (or alternatively Emerald be restrained from processing acceptances from Au Xingao and Xinhe) until final orders have been issued by the Panel, and Bullseye and Emerald be restrained from stating that the directors of Bullseye are free from conflicts of interest in recommending the Emerald Offer.

The applicant seeks final orders to the effect that, among other things, Emerald dispatch a supplementary bidder's statement (in a form approved by ASIC and the Panel) that deals with prescribed disclosures and offer withdrawal rights to Bullseye shareholders who have accepted the Emerald Offer.

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