



## **MERGER NOTICE NO 30: 2019**

### **THE PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF MOD RESOURCES LIMITED BY SANDFIRE RESOURCES NL.**

Pursuant to section 56(1) of the Competition Act (Cap 46:09), the Competition Authority ("the Authority") has received a merger notification for the proposed acquisition of the entire issued share capital of MOD Resources Limited ("MOD") by Sandfire Resources NL ("Sandfire").

The primary acquiring enterprise, Sandfire, is a company incorporated in terms of the company Laws of Australia and is listed on the Australian Securities Exchange. Sandfire is not directly or indirectly controlled by any firm. However, Sandfire controls the following entities, none of which has operations in Botswana: Sandfire Resources America Inc; Sandfire BC Holdings (Australia Pty Ltd; Sandfire BC Holdings Inc; Sandfire Copper & Gold Peru S.A.; Sandfire (RMP) Pty Ltd; and Sandfire (RMP) Inc. Sandfire also has no operations or interests in Botswana.

The acquiring entity's cornerstone asset is the high-grade, low cost DeGrussa Copper-Gold Mine in Australia. It also has an interest in the Black Butte copper project in Montana, USA. Sandfire is strategically focussed on exploring for and bringing on new production that can in the short run augment its current production and in the long run, replace production as DeGrussa production diminishes and ultimately ceases.

The Directors of Sandfire are: Derek Noel La Ferla; Robert Norman Scott; Maree Naomi Arnason; Roric Gerard Smith; Karl Matthew Simich; and Paul Duncan Hallam.

The primary target enterprise, MOD, is a company incorporated in accordance with the Laws of Australia. MOD is a dual Australian and London Stock Exchange listed mining company whose flagship asset is the T3 project in Botswana. MOD controls the following companies: Metal Capital Limited; Tshukudu Exploration; MOD Resource Botswana; Tshukudu Metals Botswana; MOD Resource (NZ) (Pty) Ltd, Metal Capital Exploration Limited and Sams Creek Gold Limited. Therefore, MOD's presence in Botswana is through the following three (3) target entities:

Tshukudu Metals Botswana (Pty) Ltd (“Tshukudu Metals”) is a company incorporated in accordance with the Laws of the Republic of Botswana. Tshukudu Metal does not directly or indirectly control any firm in Botswana. Tshukudu Metals is a mineral exploration company and currently does not provide any service or sell any products into or from Botswana. Its shareholders do not own shares in any other Botswana company.

The Directors of Tshukudu Metals are: Leutlwetse Tumelo; Gabaikangwe Chinyepi (both Batswana); Julian Phillip Hanna; and Mark Andre Clements (both Australians).

Tshukudu Exploration Botswana (Pty) Ltd (“Tshukudu Exploration”) is a company incorporated in accordance with the Laws of the Republic of Botswana. Tshukudu Explorations does not directly or indirectly control any firm in Botswana. Though Tshukudu Explorations has not commenced trading, it is a mineral exploration company. Its shareholders also do not own shares in any other company incorporated in Botswana.

The Directors of Tshukudu Exploration are: Leutlwetse Tumelo; Gabaikangwe Chinyepi (both Batswana); Julian Phillip Hanna; and Mark Andre Clements (both Australians).

Lastly, MOD Resource Botswana (Pty) Ltd (“MOD Resources Botswana”) - is a company incorporated in accordance with the Laws of the Republic of Botswana. MOD Resource Botswana is also controlled MOD Resources (Botswana) (Pty) Ltd. MOD Resource Botswana does not control any firm in Botswana. MOD Resources Botswana is a mineral exploration company and currently does not provide any service or products into or from Botswana. Its shareholders also do not own shares in any other company incorporated in Botswana.

The Directors of MOD Resources Botswana are Leutlwetse Tumelo and Gabaikangwe Chinyepi (Batswana nationals).

According to section 57(3), of the Competition Act, “any person, including a third party not a party to the proposed merger, may voluntarily submit to the inspector or the Authority any document, affidavit, statement or other relevant information in respect of a proposed merger”.

The Competition Authority therefore seeks any stakeholder views for or against the proposed merger, which may be sent within 10 days from date of this publication to the following address:

Director, Mergers and Monopolies  
Competition Authority  
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