

MERGER NOTICE NO 31: 2021**THE PROPOSED ACQUISITION OF 40.11% OF THE ISSUED SHARES IN LEOAM HOLDINGS (PTY) LTD (IN JUDICIAL MANAGEMENT) FROM ZCI LIMITED BY MAX POWER LIMITED**

Pursuant to section 49(1) of the Competition Act 2018, the Competition and Consumer Authority ("the Authority") has received a merger notification for the proposed acquisition of 40.11% of the issued shares in Leboam Holdings (Pty) Ltd ("Leboam" or the "Target Enterprise") (in judicial management), from ZCI Limited ("ZCI") by Max Power Limited ("MPL" or the "Acquiring Enterprise"). The 40.11% issues shares translates to 67 ordinary shares.

The Target Enterprise, Leboam, is a limited liability company incorporated in accordance to the Laws of Botswana, under the care of Judicial Manager John Hinchliffe. Its issued share capital of 167 shares are held at 58.88% by Cradle Arc Investments (Pty) Ltd ("Cradle Arc"), a company which is in provisional liquidation. Cradle Arc does not directly or indirectly control any other firm in Botswana. The remaining 40.11% which is the subject of the proposed merger is held by ZCI. ZCI directly controls and wholly owns Matsitama Minerals (Pty) Ltd – a limited liability company incorporated in accordance with the Laws of Botswana.

Leboam is submitted to have been in judicial management since 28th February 2019. The Target Enterprise owns and operates Mowana Copper Mine ("Mowana Mine") situated at Dukwi, in the North-East of Botswana. The key output/product of Mowana Mine is copper metal in concentrate form. As a consequence of the judicial management, the Mowana Mine has been under care and maintenance and has not traded or generated any revenue since 2019. For completeness, the Directors of Leboam are: Thuso Cecil Dikgaka; Vincent Patrick Conran (both Batswana); Marthinus Stephanus Appelgryn; Kevin John Ludolph Van Wouw; Roger Alyn Williams (all South Africans) and Tomas Dawson Kamwendo (Zambian).

The Acquiring Enterprise, MPL, is an investment holding company incorporated in accordance with the Laws of Mauritius. MPL is wholly owned by Mr. Gregory Elias ("Gregory") - a citizen of the Netherlands who is also the sole director in the company. Mr. Gregory directly and indirectly controls United International Holdings ("United International"), a holding company that has interests in companies that provide trust and banking services. In Botswana, Mr. Gregory controls M P Mining (Pty) Ltd ("MP Mining") which is a limited liability company incorporated in accordance with the Laws of Botswana.

The Acquiring Enterprise is a special purpose vehicle (SPV) which is established to enter into a series of transactions pursuant to which (through its subsidiary – MP Mining (Pty) Ltd, it seeks to restore the Mowana Mine to full production and subsequently take over Mowana Mine.

According to section 50 (3) of the Competition Act 2018, “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 and Consumer 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:

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