

Financial Markets Conduct (Antipodes Gold Limited) Exemption Notice 2016

Pursuant to section 556 of the Financial Markets Conduct Act 2013, the Financial Markets Authority, being satisfied on the matters set out in section 557 of the Act, gives the following notice.

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Notice

1 Title

This notice is the Financial Markets Conduct (Antipodes Gold Limited) Exemption Notice 2016.

2 Commencement

This notice comes into force on 26 August 2016.

3 Revocation

This notice is revoked on the close of 31 December 2016.

4 Interpretation

(1) In this notice, unless the context otherwise requires—

Act means the Financial Markets Conduct Act 2013

Antipodes Gold means Antipodes Gold Limited a Canadian incorporated company listed on the TSXV and NZAX

Chatham Rock means Chatham Rock Phosphate Limited a New Zealand incorporated company listed on the NZAX

excluded information has the same meaning as in clause 20(5) of Schedule 8 of the Regulations

NZAX means the NZX Alternate Market, the licensed market operated by NZX Limited under that name

NZAX listing rules means the rules set by NZX Limited on 17 August 2010 (and any subsequent amendments to those rules) which are enforceable as a contract between NZX Limited and individual issuers

offer means the offer of equity securities by Antipodes Gold to acquire all securities in Chatham Rock under rule 8 of the Takeovers Code

offer document has the same meaning as in rule 3 of the Takeovers Code

relevant time has the same meaning as in clause 20(5) of Schedule 8 of the Regulations

Regulations means the Financial Markets Conduct Regulations 2014

TSXV means the TSX Venture Exchange, the equity security market operated by TMX Group Limited in Canada under that name.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

5 Exemption

Antipodes Gold is exempted from Part 3 of the Act in respect of the offer.

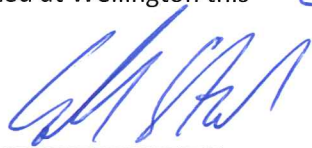
6 Conditions

The exemption in clause 5 is subject to the conditions that—

- (a) the offer at all times complies with the Takeovers Code; and
- (b) Antipodes Gold provides a notice to the NZAX, at a relevant time, for the purpose of that notice being notified to the market; and
- (c) the notice required under paragraph (b) must—
 - (i) state that an offer is being made to Chatham Rock shareholders in reliance on an exemption granted by the FMA; and
 - (ii) state that the notice is provided under paragraph (b); and
 - (iii) state that, as at the date of the notice, Antipodes Gold is in compliance with its continuous disclosure obligations; and
 - (iv) state that, as at the date of the notice, Antipodes Gold is in compliance with its financial reporting obligations; and
 - (v) set out the information (if any) that is excluded information as at the date of the notice; and
 - (vi) describe the potential effect that the offer and acquisition of the equity securities will have on the control of the target company, Chatham Rock; and
 - (vii) describe the consequences of those effects; and
- (d) the offer must not proceed unless Antipodes Gold, as at the date of the notice required under paragraph (b), is in compliance with its continuous disclosure obligations and financial reporting obligations; and
- (e) Antipodes Gold, at the time the offer document for the offer is provided to all current Chatham Rock shareholders, must ensure that the offer document includes or is accompanied by all material information as to the effect of the change in shareholding, including without limitation:—
 - (i) the information required under paragraph (c); and

- (ii) the purpose and effect of the offer; and
- (iii) the steps necessary to complete the offer; and
- (iv) a description of the rights attached to equity securities in Antipodes Gold; and
- (v) a comparison and description of the rights, protections and obligations that result from holding shares in Antipodes Gold as opposed to shares in Chatham Rock; and
- (vi) particulars of any material differences in the taxation obligations and liabilities of New Zealand shareholders holding, or disposing of, shares in Antipodes Gold as opposed to the taxation obligations and liabilities of New Zealand shareholders holding, or disposing of, shares in Chatham Rock.

Dated at Wellington this 22nd day of August 2016.



Garth Stanish
Director of Capital Markets
Financial Markets Authority

Statement of reasons

This notice comes into force on 26 August 2016 and is revoked on 31 December 2016.

This notice exempts Antipodes Gold Limited (**Antipodes Gold**) from Part 3 of the Financial Markets Conduct Act 2013 (**Act**) in relation to a proposed full takeover offer under the Takeovers Code to acquire all securities in Chatham Rock Phosphate Limited (**Chatham Rock**) where the consideration for the offer will be satisfied by issuing equity securities in Antipodes Gold.

The Financial Markets Authority (**FMA**), after satisfying itself as to the matters set out in section 557 of the Act, considers that it is appropriate to grant the exemptions because—

- a full takeover offer is being made by Antipodes Gold to all existing Chatham Rock shareholders asking those shareholders to exchange their shares in Chatham Rock for equity securities in Antipodes Gold. The takeover offer is limited to shareholders of Chatham Rock and therefore to persons already familiar with the assets and business of Chatham Rock, noting that Antipodes Gold is a shell company with no current business activities. The takeover offer effectively involves Chatham Rock shareholders continuing their interests in the same underlying assets through a different ownership structure:
- Antipodes Gold and Chatham Rock are listed issuers. In combination with continuous disclosure obligations and information required to be provided under the Takeovers Code, and information already held by investors as described above, the information required by this notice ensures investors have all information necessary to make an informed decision as to whether to accept or reject the full takeover offer:
- it is a condition of the exemption that the takeover offer complies at all times with the requirements of the Takeovers Code:

- the takeover offer remains subject to the fair dealing provisions of Part 2 of the Act with respect to the offer of financial products, and therefore Chatham Rock's shareholders will have remedies against any misleading or deceptive information provided by Antipodes Gold:
- as such, the FMA is satisfied that the exemption is desirable in order to promote the purposes of the Act, specifically by ensuring timely, accurate and understandable information is provided to all Chatham Rock shareholders in order to assist those shareholders to make confident and informed decisions relating to the takeover offer:
- the nature of the information Chatham Rock shareholders require to assess the offer of equity securities in Antipodes Gold is different from that prescribed by the Act and Regulations and it would be unduly onerous to prepare a product disclosure statements and register entry in addition to takeover offer documents. Further, producing a product disclosure statement as required by the Act would result in the provision information that is not material to shareholders to assist those shareholders to make informed decisions relating to the takeover offer, the benefit of which would therefore be outweighed by the costs associated with compliance. The exemption is therefore also desirable in order to avoid unnecessary compliance costs:
- given the exemption is limited to the offer of financial products to existing Chatham Rock shareholders made in the context of a takeover offer under the Takeovers Code and as the exemption only provides relief from the requirement to provide information about Antipodes Gold and Chatham Rock which is not material to decisions by shareholders to accept or reject the offer, the FMA is satisfied that the exemption is not broader than reasonably necessary to address the matters that gave rise to the exemption.