

# FINANCIAL REVIEW

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HD **Copper** comes up **gold** for Bob the explorer  
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They may not come around very often, but when takeover bids do emerge for **copper** and **gold** miner PanAust, they tend to pay off nicely for Bob Bryan.

The legendary Queensland explorer and former BRW Rich-Lister made a cool \$44 **million** in 1989 when PanAust's forebear, PanAustralian **Mining**, was acquired by Robert Champion de Crespigny's Normandy group. Mr Bryan revived the brand in 1996 when, as founding chairman, he started the current version of PanAust under its then name, PanAustralian Resources.

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He was the biggest shareholder at times during the **company's** first few years, and in 1998 his 26.7 **million** shares gave him a **stake** of just over 30 per cent.

The stock averaged 89¢ between 1996 and 1998.

Fast forward to May 2014, and Mr Bryan was still PanAust's sixth biggest shareholder when Guangdong Rising Asset Management (GRAM) made an informal, indicative but incomplete offer to buy the **company** for \$2.30 a share.

The approach saw the stock rise by 54 per cent over a three-month period.

When asked by Fairfax Media on the day the GRAM approach was announced, Mr Bryan said the **Chinese** group should be encouraged to improve its bid. Long hard offer turns off shareholder

"There is obviously an appetite and appetites are to be encouraged in most situations, and I think this is such a situation," he said.

"It gives me a lot of confidence and pleasure that the managing director has such a significant shareholding in the **company** and that means his interests will be well aligned with the rest of us shareholders."

A takeover by GRAM or any other suitor now appears unlikely, but that doesn't mean Mr Bryan and some other shareholders didn't make hay while the sun shone.

Despite still being listed by Bloomberg as the seventh biggest shareholder in PanAust with 7.6 **million** shares, Mr Bryan told Fairfax Media this week he was no longer a shareholder in the **copper** miner, having sold out during the past six months of takeover speculation.

"I have sold out my interest in PanAust," he said.

Mr Bryan did not reveal the exact date of his divestment, but if sold at the average price since GRAM's interest was announced in May, \$2.13 a share, his **stake** would have been worth more than \$16 **million**.

"I gave up on this bid some little time ago, it just seemed to all be taking too long and being too hard, and I think it is very sensible for the **company** to get on [with normal business]," he said.

"I have absolutely no idea what GRAM's continued interest may or may not be, but it all took too long for me."

PanAust shares have returned to trading below \$1.80, but on Thursday PanAust managing director Gary Stafford said the elevated share price during the takeover saga had at least given shareholders a temporary opportunity to sell out at a high price. "The share price for the **company** actually went through the \$2.30 ceiling for a period of time, and people had an opportunity to trade out of the stock at around that informal offer price or in the near vicinity of it for quite a period of time, so from our perspective that was probably a healthy opportunity for our shareholders," he said.

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