



Wednesday, 2 May 2007

Arrow Taxi Services Limited 01 – Panel Ceases Consideration of Application

Arrow Taxi Services Limited 02 – Panel Receives Application

The Takeovers Panel refers to the application from Arrow Taxi Services Limited (**Arrow Taxi**) dated 4 April 2007 (**Arrow Taxi 01 Application**) in relation to a proposed takeover bid by Kangaroo Petroleum Co. Pty Limited (**KPC and Bid**) ([TP07-13](#)).

In light of the recent decision of the full Federal Court in *Australian Pipeline Limited v Alinta Limited* [2007] FCAFC 55 ([TP07-19](#) dated 30 April 2007), the Panel does not consider that it has jurisdiction to consider the Arrow Taxi 01 Application.

The Panel advised Arrow Taxi of its views following the *Australian Pipeline Limited* decision and invited Arrow Taxi to submit a new application, if it wished. The Panel advised Arrow Taxi that any new application should be framed solely in terms of section 657A(2)(a) of the Corporations Act and should explain why the circumstances complained of give rise to unacceptable circumstances by reference to the terms of section 657A(2)(a) and the purposes of the Takeovers Chapters set out in section 602.

The Panel advises that it received a new application from Arrow Taxi yesterday evening (**Arrow Taxi 02 Application**), which is based on similar facts to the Arrow Taxi 01 Application.

In the Arrow Taxi 02 Application, Arrow Taxi submits that Arrow Taxi shareholders:

1. do not all have a reasonable and equal opportunity to participate in any benefits accruing to shareholders through the Bid:

Arrow Taxis submits that the Bid is not for all the securities in the bid class and that Arrow Taxi shareholders are not each offered the same consideration under the Bid; and

2. are not provided with enough information to enable them to assess the merits of the Bid:

Arrow Taxis submits that KPC's bidder's statement contains a number of disclosure deficiencies, including insufficient information about KPC and its proposed conduct of the Arrow business, the valuation of Arrow and a proposed competing offer by Cabcharge Australia Limited for Arrow.

Arrow seeks a declaration of unacceptable circumstances under section 657A(2)(a), interim orders restraining despatch of KPC's bidder's statement and final orders that KPC be prevented from dispatching its offer and bidder's statement to Arrow Taxi shareholders.

The Panel has not decided whether to conduct proceedings in relation to the Application and makes no comment on the merits of the Application. It also notes that it has not received submissions from other parties to the Application and it is, therefore, unaware of their views.

The President of the Panel has appointed Irene Lee, Chris Photakis (sitting President) and Rodd Levy as the sitting Panel to consider the Application.

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