

## COMPANIES (URANIUM MINING COMPANIES)

### No. 48 of 1970

An Ordinance to restrict the Number and Value of Foreign Shares that may be held in Specified Companies incorporated in the Territory and to require the Disclosure of Substantial Shareholdings in those Companies.

#### PART I.—PRELIMINARY.

- Short title.** 1. This Ordinance may be cited as the *Companies (Uranium Mining Companies) Ordinance 1970*.\*
- Administration.** 2. This Ordinance shall be administered by the Attorney-General.
- Parts.** 3. This Ordinance is divided into Parts, as follows:—
- Part I.—Preliminary (Sections 1-7).
- Part II.—Control of Foreign Shareholdings in Specified Companies.
- Division 1.—Interpretation (Sections 8-11).
- Division 2.—Restriction on the Transfer or Allotment of Foreign Shares in Specified Companies (Sections 12-18).
- Division 3.—Powers of the Registrar in relation to Foreign Shares in Specified Companies (Sections 19-23).
- Division 4.—Restriction on Voting Rights in respect of Foreign Shares (Sections 24-27).
- Division 5.—Disposal of Foreign Shares (Sections 28-33).
- Division 6.—Miscellaneous (Sections 34-44).
- Part III.—Disclosure of Substantial Shareholdings in Specified Companies (Sections 45-59).
- Part IV.—Regulations (Section 60).
- Incorporation with Companies Ordinance.** 4. This Ordinance is incorporated and shall be read as one with the *Companies Ordinance 1962-1969* and, unless the contrary intention appears, expressions used in this Ordinance have the same meanings as in section 5 of that Ordinance.

\* Made on 14 December 1970; notified in the *Commonwealth Gazette* and commenced on 17 December 1970.

5. For the purposes of this Ordinance, each of the following companies, being a company incorporated in the Territory, is a specified company:—

Specified companies.

(a) Kathleen Investments (Australia) Limited;

(b) Queensland Mines Limited.

6. The obligation to comply with this Ordinance extends to all natural persons, whether resident in the Territory or in Australia or not and whether Australian citizens or not, and to all bodies corporate, whether incorporated or carrying on business in the Territory or in Australia or not.

Persons obliged to comply with this Ordinance.

7. This Ordinance extends to acts done or omitted to be done outside the Territory, whether in Australia or not.

Extra-territorial operation of Part.

## PART II.—CONTROL OF FOREIGN SHAREHOLDINGS IN SPECIFIED COMPANIES.

### Division 1.—*Interpretation.*

8.—(1.) In this Part, unless the contrary intention appears—

Interpretation.

“Australia” includes all the Territories of the Commonwealth not forming part of the Commonwealth;

“corporation” includes an association, a partnership or other organization, whether incorporated or not;

“foreign corporation” means a corporation—

(a) in the capital of which shares representing more than one-fifth of the issued capital of the corporation are held—

(i) by persons (other than corporations) not ordinarily resident in Australia;

(ii) by corporations incorporated, formed or otherwise organized elsewhere than in Australia; or

(iii) by persons referred to in sub-paragraph (i) of this paragraph and corporations referred to in the last preceding sub-paragraph; or

(b) in respect of which—

(i) persons (other than corporations) not ordinarily resident in Australia;

(ii) corporations incorporated, formed or otherwise organized elsewhere than in Australia; or

(iii) persons referred to in sub-paragraph (i) of this paragraph and corporations referred to in the last preceding sub-paragraph, are entitled to exercise, or control the exercise of, the right to cast votes in respect of more than one-fifth of the total number of votes in respect of all shares issued by the corporation;

“foreign share” means—

- (a) a share in a specified company held in any manner for the use or benefit of—
  - (i) a person (other than a corporation) who is not ordinarily resident in Australia; or
  - (ii) a foreign corporation;
- (b) a share in a specified company held in any manner for the use or benefit of two or more persons, at least one of whom is—
  - (i) a person (other than a corporation) who is not ordinarily resident in Australia; or
  - (ii) a foreign corporation; or
- (c) a share in a specified company the exercise of the right to cast a vote in respect of which is subject to control by—
  - (i) a person (other than a corporation) who is not ordinarily resident in Australia; or
  - (ii) a foreign corporation;

“issued capital”, in relation to a specified company or a corporation other than such a company, means the aggregate of the nominal amounts of all shares issued by the specified company or the corporation, as the case may be;

“person” includes a corporation.

(2.) In this Part—

- (a) a reference to a share in a specified company or in a corporation other than such a company shall be read as a reference to a share in the capital of the specified company or of the corporation, as the case may be; and
- (b) a reference to a share in a specified company or in a corporation other than such a company shall be read as including a reference to stock into which the share has been converted.

**Control.**

**9.—(1.)** For the purposes of this Part, a reference to control of the exercise of the right to cast a vote in respect of a share in a specified

company, or to control of the exercise of the right to cast a vote in respect of a share in any other corporation, shall be read as including a reference to control of that right that is direct or indirect, including control that is exercisable—

- (a) as a result of, or by means of, trusts, agreements, arrangements, understandings and practices, whether or not having legal or equitable force and whether or not based on legal or equitable rights; or
- (b) by reason of a person being in a position to control a corporation or corporations.

(2.) For the purposes of this Ordinance—

- (a) a person (other than a corporation) shall be deemed to be in a position to control a corporation if he alone owns, or he and a person with whom he is associated together own, shares or other interests representing more than one-fifth of the issued capital in that other corporation or he alone is, or he and a person with whom he is associated are together, in a position to control more than one-fifth of the total of the rights to cast votes in respect of shares in that other corporation;
- (b) a corporation shall be deemed to be in a position to control another corporation if it alone owns, or it and a person with whom it is associated together own, shares or other interests representing more than one-fifth of the issued capital in that other corporation or it alone is, or it and a person with whom it is associated are together, in a position to control more than one-fifth of the total of the rights to cast votes in respect of shares in that other corporation;
- (c) a person who is or is to be deemed to be in a position to control a corporation which, or a person who, is or is to be deemed to be in a position to control another corporation shall be deemed for the purposes of this Part to be in a position to control that last-mentioned corporation; and
- (d) a person who is or is to be deemed to be in a position to control a corporation shall be deemed to be in a position to control the exercise of any right of that corporation to cast a vote in respect of a share in another corporation.

(3.) For the purposes of the last preceding sub-section, a person shall be deemed to be associated with another person if—

- (a) one of those persons is a corporation and the other person is an officer of that corporation;
- (b) one person is a partner of the other person; or
- (c) those persons are members of a voting trust and the trust relates to shares in a corporation.

(4.) For the purposes of this Part the exercise of the right to cast a vote in respect of a share is not subject to control by a person by reason only that the share is held in the name of that person.

Associated  
shareholders.

**10.**—(1.) For the purposes of this Part, a shareholder in a specified company shall be deemed to be associated with another shareholder in that specified company if—

- (a) one of those shareholders is a corporation and the other shareholder is an officer of that corporation;
- (b) one shareholder is a partner of the other shareholder;
- (c) one of the shareholders is a corporation and the other shareholder, whether a corporation or not, is in a position to control that corporation;
- (d) both shareholders are corporations and one person, whether a corporation or not, is in a position to exercise control over both of those shareholders;
- (e) both of the shareholders hold foreign shares in the specified company and a person who is in a position to control the exercise of the right to cast votes in respect of any of the foreign shares held by one of those shareholders is also in a position to control the exercise of the right to cast votes in respect of any of the foreign shares held by the other shareholder;
- (f) both of the shareholders hold foreign shares in the specified company and a person who is in a position to control the exercise of the right to cast votes in respect of any of the foreign shares held by one of those shareholders is a partner of a person who is in a position to control the exercise of the right to cast votes in respect of any of the foreign shares held by the other shareholder; or
- (g) both shareholders are members of a voting trust and the trust relates to shares in a specified company.

(2.) Where, by reason of the last preceding sub-section—

- (a) one shareholder in a corporation is to be deemed to be associated with another shareholder in that corporation; and
- (b) another shareholder in that corporation is also to be deemed to be associated with either of the shareholders referred to in the last preceding paragraph,

each of those shareholders and that other shareholder shall, for the purposes of this Part, be deemed to be associated with one another.

Foreign shares  
held jointly.

**11.** For the purposes of this Part, where—

- (a) a share in a specified company is held in the name of more than one person; and
- (b) one or more of those persons is—
  - (i) a person (other than a corporation) who is not ordinarily resident in Australia; or
  - (ii) a foreign corporation,

that share shall be deemed to be held by each of the joint holders of the share.

*Division 2.—Restriction on the Transfer or Allotment of Foreign Shares in a Specified Company.*

**12.—(1.)** A transfer of shares in a specified company is a transfer to which this Division applies if, on the registration of the transfer of the shares, the shares would be foreign shares and—

Transfers to which this Division applies.

- (a) the aggregate of the nominal amounts of all other foreign shares in that specified company and of the nominal amounts of the shares to be transferred would exceed three-twentieths of the issued capital of the company; or
- (b) the aggregate of—
  - (i) the nominal amounts of all foreign shares held and to be held by the person to whom the shares are to be transferred; and
  - (ii) the nominal amounts of all foreign shares not held by the person to whom the shares are to be transferred but of which that person is and will be the beneficial owner or one of the beneficial owners,
 would exceed one-twentieth of the issued capital of the company.

(2.) For the purposes of the application of paragraph (b) of the last preceding sub-section in relation to a person, where a shareholder is to be deemed to be associated with another shareholder in respect of foreign shares, all foreign shares held by that shareholder and by each other shareholder with whom he is to be deemed to be associated shall be deemed to be held by that first-mentioned shareholder.

(3.) Notwithstanding sub-section (1.) of this section, a transfer of shares in a specified company is not a transfer to which this Division applies if the transfer relates to a sale or other disposal of those shares made before the eighteenth day of September, One thousand nine hundred and seventy.

**13.—(1.)** Where an application is made to a specified company for the registration of a transfer of shares in that company, the company may refuse to register the transfer unless there has been furnished to the specified company information (whether in the form of a statutory declaration or otherwise) establishing, in respect of each of those shares, that, upon the registration of the transfer—

Specified company may require information from transferee of shares.

- (a) the share will be held by the person to whom it is to be transferred for his own use or benefit or, if the share will be held for the use or benefit of another person, the name of that other person; and
- (b) control of the exercise of the right to cast a vote in respect of the share to be transferred will not be vested in any other person or, if that control will be vested in another person, the name of the other person in whom control of the exercise of the right to cast a vote in respect of the share will be vested.

(2.) Where it appears to the directors of a specified company, from the information in the possession of the specified company, whether furnished in pursuance of the last preceding sub-section or otherwise, that, upon the registration of a transfer of shares in the specified company, those shares or any of those shares will or may be held for the use or benefit of a person other than the person to whom the shares are to be transferred or that control of the exercise of the rights to cast votes in respect of those shares or any of those shares will or may be vested in another person, the specified company may refuse to register the transfer unless—

- (a) the directors of the specified company are satisfied, after receiving further information relating to the matter, that, upon the registration of the transfer of the shares, none of those shares will be so held or that the exercise of none of those rights will be so vested; or
- (b) information with respect to the trusts, agreements, arrangements, understandings and practices by which the shares or any of them will be held for the use or benefit of that other person or by reason of which control of the right to cast votes in respect of the shares or any of them will be vested in that other person is also furnished to the specified company.

(3.) Where an application is made to a specified company for the registration of a transfer of shares in the specified company, the specified company may require the person to whom the shares are to be transferred to furnish such information as the specified company requires to be furnished to it for the purpose of having determined, in accordance with this Division, the question whether or not the transfer is a transfer to which this Division applies.

Reference of  
transfers to  
Registrar.

**14.—**(1.) Where it appears to the directors of a specified company, from the information in the possession of the specified company, whether furnished in pursuance of the last preceding section or otherwise, that a transfer for the registration of which an application has been made to the specified company is or may be a transfer to which this Division applies, the specified company shall not register the transfer but shall forthwith refer to the Registrar the question whether or not the transfer is a transfer to which this Division applies together with a statement setting out all information in the possession of the company relating to that question.

(2.) Where—

- (a) an application has been made to a specified company for the registration of a transfer of a share in the specified company; and
- (b) the person to whom, or one of the persons to whom, the share is to be transferred is or may be—
  - (i) a person (other than a corporation) who is not ordinarily resident in Australia; or
  - (ii) a foreign corporation,

the specified company shall, for the purposes of this section, assume that the share will, on the registration of the transfer, be held for the use or benefit of a person who is not ordinarily resident in Australia.

**15.—(1.)** Where a question whether a transfer is a transfer to which this Division applies is referred to the Registrar, the Registrar shall forthwith give notice in writing to the person by whom the application for registration has been made that the question has been referred to him for determination and shall, in the notice, specify a time (not being less than seven days or more than fourteen days after the date on which the notice is given) within which the person to whom the notice is given may produce to the Registrar information that the transfer is not a transfer to which this Division applies.

Registrar  
to give notice  
to applicant.

(2.) If—

- (a) no information is produced to the Registrar within the time specified in the notice or within such further time as the Registrar, on an application made to him within that first-mentioned time, allows that the transfer is not a transfer to which this Division applies; or
- (b) the information produced to the Registrar within the time specified in the notice or within such further time as the Registrar, on an application made to him within that first-mentioned time allows, does not satisfy him that the transfer is not a transfer to which this Division applies,

the Registrar shall certify in writing that the transfer is a transfer to which this Division applies and the transfer shall, subject to this Part, be deemed to be a transfer to which this Division applies.

(3.) If the information produced to the Registrar satisfies him that the transfer is not a transfer to which this Division applies, the Registrar shall certify in writing that the transfer is not a transfer to which this Division applies.

(4.) The Registrar shall, forthwith after giving a certificate under this section, forward the certificate to the specified company and shall forward a copy of the certificate to the person by whom the application for registration of the transfer was made.

**16.—(1.)** Where the Registrar has certified in writing that a transfer is a transfer to which this Division applies, the person by whom the application for the registration of the transfer was made may apply to the Registrar to re-consider, in the light of further information furnished by that person, the question whether or not the transfer is a transfer to which this Division applies.

Re-consideration  
by  
Registrar.

(2.) If the further information produced to the Registrar does not satisfy him that the transfer is not a transfer to which this Division applies, the Registrar shall notify in writing the specified company and the person by whom the application for registration of the transfer is made that he is not so satisfied, but if the further evidence produced to him satisfies the Registrar that the transfer is not a transfer to which this



Division applies, the Registrar shall cancel, by instrument in writing, the certificate previously given by him and certify that the transfer is not a transfer to which this Division applies.

(3.) The Registrar shall, forthwith after making an instrument under the last preceding sub-section, forward the instrument to the specified company and shall forward a copy of the instrument to the person by whom the application for the registration of the transfer was made.

Company guilty of offence if transfer registered.

17. Where a specified company has referred to the Registrar the question whether or not a transfer is a transfer to which this Division applies, the specified company shall not register the transfer unless the Registrar has certified that the transfer is not a transfer to which this Division applies.

Allotments of shares.

18. An application for the allotment of shares in a specified company shall be deemed, for the purposes of this Division, to be an application for registration of a transfer of shares in the specified company and this Division applies to and in relation to such an application as if—

- (a) a reference to an application for the registration of a transfer of shares were a reference to an application for the allotment of shares; and
- (b) a reference to the registration of a transfer of shares were a reference to the allotment of shares.

*Division 3.—Powers of Registrar in Relation to Foreign Shares in Specified Companies.*

Determination by Registrar that shares are foreign shares.

19.—(1.) If it appears to the directors of a specified company that any shares in the specified company (not being shares in respect of which there is in force a certificate under sub-section (4.) of this section) are or may be foreign shares, the specified company shall refer to the Registrar the question whether or not those shares are foreign shares and, if they are foreign shares, the question on what date they became foreign shares, together with a statement setting out all information in the possession of the company relating to the questions.

(2.) Where the person in whose name, or one of the persons in whose names, a share in a specified company is held is or may be—

- (a) a person (other than a corporation) who is not ordinarily resident in Australia; or
- (b) a foreign corporation,

the specified company shall, for the purposes of this section, assume that the share is held for the use or benefit of a person who is not ordinarily resident in Australia.

(3.) Where a question is referred to the Registrar under sub-section (1.) of this section, the Registrar shall forthwith give notice in writing to the person in whose name the shares are held that the question has been referred to him and shall, in the notice, specify a time (not being

less than seven days or more than fourteen days after the date on which the notice is given) within which the person to whom the notice is given may produce to the Registrar information that the shares are not foreign shares or evidence with respect to the date on which they became foreign shares.

(4.) If—

- (a) no information in relation to the question whether or not the shares are foreign shares is produced to the Registrar within the time specified in the notice or within such further time as the Registrar, either before or after the expiration of the time specified in the notice, allows; or
- (b) the information produced to the Registrar does not satisfy him that the shares are not foreign shares,

the Registrar shall certify in writing that the shares are foreign shares and shall specify the number of shares to which the certificate relates, and those shares shall, subject to this Part, be deemed to be foreign shares.

(5.) If the information produced to the Registrar satisfies him that the shares in question are not foreign shares, the Registrar shall certify that the shares are not foreign shares and those shares shall not, subject to this Part, be deemed to be foreign shares.

(6.) Where the Registrar gives a certificate under sub-section (4.) of this section, he shall specify in the certificate the day on which the shares to which the certificate relates are, for the purposes of this Part, to be deemed to have become foreign shares and the shares shall be deemed, for the purposes of this Part, to have become foreign shares on the day so specified.

(7.) The day to be specified for the purpose of the last preceding sub-section is—

- (a) if the Registrar is satisfied on the information produced to him that, if this Ordinance had been in force on the eighteenth day of September, One thousand nine hundred and seventy, those shares would have been foreign shares on that day—that day;
- (b) if the Registrar is satisfied on the information produced to him that, if this Ordinance had been in force on the date, the shares would have become foreign shares on a day in the period between that date and the commencement of this Ordinance—the day immediately before the commencement of this Ordinance; or
- (c) if the Registrar is satisfied on the information produced to him that the shares became foreign shares on or after the commencement of this Ordinance—the day on which the information establishes that the shares became foreign shares or, if the information does not establish with certainty the day on which the shares became foreign shares, the day on which this Ordinance came into operation.

(8.) The Registrar shall, forthwith after giving a certificate under this section, forward the certificate to the specified company and shall forward a copy of the certificate to the person in whose name the shares are held.

Determination by Registrar that shareholders are associated shareholders.

20.—(1.) If it appears to the directors of a specified company that two or more shareholders who hold foreign shares in the specified company are or may be associated with one another in relation to all or any of the foreign shares held by them, the specified company shall refer to the Registrar the question whether those shareholders are so associated together with a statement setting out all information in the possession of the company relating to that question.

(2.) Where a question is referred to the Registrar under the last preceding sub-section, the Registrar shall forthwith give notice in writing to each of the shareholders referred to by the company as being so associated with one another that the question has been referred to him and shall, in the notice, specify a time (not being less than seven days or more than fourteen days after the date on which the notice is given) within which the persons to whom notice is given may produce to the Registrar information that they are not so associated with one another.

(3.) If, in relation to any two or more of the shareholders referred to in a notice under sub-section (2.) of this section—

- (a) no information is produced to the Registrar within the time specified in the notice or within such further time as the Registrar, either before or after the expiration of the time specified in the notice, allows; or
- (b) the information produced to the Registrar does not satisfy him that those shareholders are not associated with one another in relation to any of the foreign shares held by them,

the Registrar shall certify in writing that those shareholders are associated with one another in relation to foreign shares and those shareholders shall, subject to this Part, be deemed to be shareholders who are associated with one another in relation to the foreign shares.

(4.) If, in relation to any two or more of the shareholders referred to in a notice under sub-section (2.) of this section, the information produced to the Registrar satisfies him that those shareholders are not associated with one another in relation to foreign shares, the Registrar shall certify accordingly and the shareholders specified in the certificate shall not, for the purposes of this Part, be deemed to be associated with one another.

(5.) The Registrar shall, forthwith after giving a certificate under this section, forward the certificate to the specified company and shall forward a copy of the certificate to each of the persons to whom notice was given under sub-section (2.) of this section.

Shares to remain foreign shares until Registrar otherwise determines.

21.—(1.) Where the Registrar has certified under section 19 of this Ordinance that shares in a specified company are foreign shares, those shares continue to be, for the purposes of this Part, foreign shares until the Registrar, by instrument in writing, cancels the certificate.

(2.) The Registrar may, upon application made to him and upon being satisfied that shares that he has previously certified as foreign shares are no longer foreign shares, cancel the certificate previously issued by him and, thereupon, those shares cease to be foreign shares.

(3.) Where—

- (a) the Registrar has, in a certificate under section 19 of this Ordinance, certified that shares in a specified company are foreign shares; and
- (b) the Registrar is, upon application made to him, satisfied that some of the shares to which the certificate relates have ceased to be foreign shares,

the Registrar may vary the certificate previously issued by him by memorandum endorsed on, or by instrument annexed to, it by excluding from the operation of the certificate the shares that have ceased to be foreign shares.

(4.) Where, in pursuance of the last preceding sub-section, the Registrar varies the certificate previously issued by him, the certificate has, on and after the variation, effect as so varied.

**22.**—(1.) Where the Registrar has certified under section 20 of this Ordinance that shareholders in a specified company are associated with one another in relation to any foreign shares, those shareholders continue to be, for the purposes of this Part, shareholders who are associated with one another in relation to those foreign shares until the Registrar by instrument in writing certifies to the contrary.

Shareholders to remain associated shareholders until Registrar otherwise determines.

(2.) The Registrar may, upon application being made to him and being satisfied that—

- (a) a shareholder is no longer associated with another shareholder in the specified company in relation to any foreign shares; or
- (b) a person who was a shareholder associated with another shareholder has ceased to be a shareholder in the specified company,

by memorandum endorsed on or by instrument annexed to the certificate previously issued by him certify accordingly and, thereupon—

- (a) if the certificate previously issued by him certified that that shareholder or person was associated with only one other shareholder, the certificate shall be deemed to have been cancelled; or
- (b) in any other case, the certificate has, on and after the variation, effect as so varied.

**23.** Where the Registrar has, under section 21 of this Ordinance, cancelled a certificate, or has given a certificate under the last preceding section, the Registrar shall give notice accordingly to the specified company and to the holder of the shares in question or to each of the shareholders concerned, as the case requires.

Notice of cancellation of certificate.

*Division 4.—Restriction on Voting Rights in respect of Foreign Shares.*

Interpretation.

**24. In this Division—**

- (a) a reference to a foreign share shall be read as a reference to a share that is to be deemed, by reason of the last preceding Division, to be a foreign share; and
- (b) a reference to two or more shareholders associated with one another shall be read as a reference to two or more shareholders that are to be deemed, by reason of the last preceding Division, to be shareholders who are associated with one another.

Certain foreign shares not to confer any voting rights.

**25.** Where the Attorney-General has, in pursuance of section 31 of this Ordinance, given directions that foreign shares in a specified company be disposed of in accordance with those directions, the person who holds those foreign shares shall not, on and after the date on which those directions are served on that person and until those shares cease to be foreign shares, be entitled to cast, in respect of those shares, a vote or votes on any question arising at a meeting of, or on a poll held by, the specified company.

Variation in voting power where more than one-twentieth of foreign shares are held.

**26.—(1.)** A person who holds foreign shares in a specified company and would, on a poll at, or arising out of, a meeting of the specified company, be entitled, apart from this section, to cast, in respect of those foreign shares, a number of votes that exceeds one-twentieth of the total number of votes that may be cast in respect of all shares issued by the specified company is not entitled on such a poll to cast more than a number of votes equal to one-twentieth of the total number of votes that could, apart from this Division, be cast in respect of all shares issued by the specified company.

**(2.) Where—**

- (a) two or more persons hold foreign shares in a specified company;
- (b) those persons are shareholders associated with one another in relation to those shares; and
- (c) those persons would, apart from this section, be entitled to cast, in respect of foreign shares held by them in that specified company, a number of votes on a poll at, or arising out of, a meeting of the specified company that would exceed one-twentieth of the total number of votes that could, apart from this Division, be cast in respect of all shares issued by the specified company,

those persons together are not entitled on such a poll to cast, in respect of those foreign shares, a number of votes that exceeds one-twentieth of the total number of votes that could, apart from this Division, be cast in respect of all shares issued by the specified company.

**(3.)** Where the last preceding sub-section applies, each of the shareholders referred to in that sub-section is entitled, on a poll at, or arising from, a meeting of the specified company, only to cast, in respect of the foreign shares held by him, a number of votes that bears to the number

of votes that could, apart from this section, be cast by him in respect of those foreign shares the same proportion as the number that is equal to one-twentieth of the total number of all votes that could, apart from this Division, be cast in respect of all shares issued by the specified company bears to the total number of votes that could, apart from this Division, be cast in respect of all the foreign shares held by all of those shareholders.

**27.—(1.)** At a meeting of a specified company, a ruling by the chairman of the meeting—

Rulings of chairman of meetings and validity of meetings and resolutions.

- (a) that a person is, notwithstanding anything in this Division, entitled to cast a vote at that meeting or, on a poll at, or arising out of, that meeting, in respect of a share in the specified company;
- (b) that a person is not, having regard to the provisions of this Division, entitled to cast a vote at that meeting or on such a poll in respect of a share in the specified company; or
- (c) with respect to the number of votes which persons together are entitled under this Division to cast on such a poll,

is, for the purpose of that meeting or that poll, final and conclusive.

(2.) A meeting, or a poll arising from a meeting, of a specified company or a resolution passed at such a meeting at which any of the votes cast are cast otherwise than in conformity with the provisions of this Division shall not be held to be invalid or open to objection by reason only of the fact that any of those votes are so cast.

#### *Division 5.—Disposal of Foreign Shares.*

**28.** In this Division, a reference to a foreign share shall be read as a reference to a share that is to be deemed, by reason of Division 3 of this Part, to be a foreign share.

Interpretation.

**29.** If, from certificates in respect of shares in a specified company issued by the Registrar under Division 3 of this Part, it appears to the directors of the specified company that—

Company to report to Registrar when more than specified proportion of shares are foreign shares.

- (a) the aggregate of the nominal amounts of foreign shares in the specified company exceeds, or may exceed, three-twentieths of the issued capital of the specified company; or
- (b) the aggregate of the nominal amounts of foreign shares in the specified company held by a person or by two or more persons who are, in relation to those shares, associated shareholders exceeds, or may exceed, one-twentieth of the issued capital of the specified company,

the company shall furnish a return to the Registrar setting out—

- (c) the names of the persons who hold foreign shares and the number and value of foreign shares held in the name of each of those persons; and
- (d) the day or days on which those foreign shares became, or are to be deemed to have become, for the purposes of this Ordinance, foreign shares.

Report by  
Registrar  
to Attorney-  
General.

**30.** Where the Registrar, after receiving a return under the last preceding section, is satisfied that—

- (a) the aggregate of the nominal amounts of foreign shares in a specified company exceeds three-twentieths of the issued capital of the specified company; or
- (b) the aggregate of the nominal amounts of foreign shares in a specified company held by a person, or by two or more persons who are, in relation to those shares, associated shareholders, exceeds one-twentieth of the issued capital of the specified company,

the Registrar shall report accordingly to the Attorney-General and shall specify in the report—

- (c) in respect of any of those foreign shares that are to be deemed, for the purposes of this Part, to have become foreign shares on a day that is before the commencement of this Ordinance and have been held continuously since that day by the person or the respective persons in whose name or names those shares were held immediately before that commencement, the name of the person or the names of the persons by whom those shares were and are held; and
- (d) in respect of any of those foreign shares other than those referred to in the last preceding paragraph, the name of the person or the respective names of the persons in whose names those shares are held and the day on which those shares are, for the purposes of this Part, to be deemed to have become foreign shares.

Power of  
Attorney-  
General  
to give  
directions.

**31.—(1.)** The Attorney-General shall, upon receipt of a report from the Registrar under the last preceding section, give, subject to this section, such directions with respect to the disposal of foreign shares as he thinks fit—

- (a) for the purpose of reducing the aggregate of the nominal amounts of foreign shares in the specified company to an amount that is not greater than three-twentieths of the issued capital of the company; or
- (b) for the purpose of reducing the aggregate of the nominal amounts of foreign shares in the specified company held by a person or by two or more persons who are, in relation to those shares, associated shareholders to an amount that is not greater than one-twentieth of the issued capital of the company.

(2.) The power conferred by the last preceding sub-section does not extend to or in relation to foreign shares referred to in paragraph (c) of the last preceding section.

(3.) The Attorney-General shall, in directions given under this section, specify the number of foreign shares to be disposed of and the persons in whose names the shares are held who are to dispose of those shares.

(4.) Directions under this section shall specify that the foreign shares referred to in the directions shall be disposed of to either—

- (a) a person (other than a corporation) who is ordinarily resident in Australia; or
- (b) a corporation that is not a foreign corporation.

(5.) In giving directions under this section, the Attorney-General shall, so far as practicable, direct that the shares be disposed of in the reverse order to that in which they became foreign shares.

(6.) A direction under this section shall specify a period, not being less than three months and not more than two years after the date of the direction, within which shares held in the names of the persons specified in the direction are to be disposed of.

(7.) Directions given under this section shall be served on each person who is, by the directions, required to dispose of foreign shares in the specified company and a copy of the directions shall be given to the specified company.

**32.—(1.) Where—**

- (a) the Attorney-General has given directions under the last preceding section that foreign shares be disposed of; and
- (b) the person specified in those directions does not, within one month after the expiration of the period specified in the directions as the period within which those shares are to be disposed of, satisfy the Attorney-General that all of those foreign shares have been disposed of in accordance with the directions or otherwise have ceased to be foreign shares,

Attorney-General may direct that foreign shares not disposed of shall vest in Registrar.

the Attorney-General may, by instrument in writing, direct that any of those foreign shares that have not been so disposed of and have not otherwise ceased to be foreign shares shall vest in the Registrar.

(2.) The Attorney-General shall cause a copy of an instrument under the last preceding section to be served on—

- (a) the specified company in which the foreign shares are held;
- (b) each person in whose name the shares referred to in the notice are held; and
- (c) the Registrar.

(3.) Upon the service on the specified company of a copy of an instrument under sub-section (1.) of this section—

- (a) the shares referred to in the notice vest absolutely in the Registrar; and
- (b) the specified company shall register the Registrar as the holder of the shares as if the shares had been transferred to the Registrar by the person or persons in whose name the shares were held immediately before service of the copy of the instrument on the specified company.



Registrar  
to dispose of  
shares vested  
in him.

**33.—(1.)** The Registrar shall, as soon as practicable after foreign shares have vested in him under the last preceding section, dispose of those foreign shares by sale on a stock exchange, and, for the purposes of such a sale, any shares that the Registrar purports to sell under this section shall be deemed to have been duly vested in the Registrar and the Registrar shall be deemed to be the absolute owner of the shares.

(2.) Where the Registrar has sold shares under this section, the proceeds of the sale less any costs necessarily incurred by the Registrar in making the sale shall be paid to the person in whose name the shares were held at the time they vested in the Registrar.

(3.) Where, in pursuance of this Division, the Registrar has sold foreign shares, the Registrar is not liable to the person in whose name the shares were held immediately before the shares became vested in the Registrar or to any person claiming through such a person in respect of the sale, either in respect of the price at which the shares were sold or otherwise unless it is established that the Registrar acted otherwise than in good faith or acted without reasonable care.

*Division 6.—Miscellaneous.*

Statements not  
to constitute  
notice of trust.

**34.** Neither a specified company, a person dealing with the shares of a specified company nor the Registrar of Companies shall be affected, otherwise than for the purposes of this Part, by notice of any trust (whether express, implied or constructive) by reason of any statement, information or particulars contained in any document made or given under, or for the purposes of, this Part.

Certificate by  
Registrar  
is final and  
conclusive.

**35.** A certificate by the Registrar under Division 2 or 3 of this Part is final and conclusive.

Evidentiary  
provisions.

**36.—(1.)** A document certified by the Registrar to be a true copy of a certificate given by him under Division 2 or 3 of this Part or of the cancellation of such certificate is evidence of the certificate or the cancellation, as the case requires.

(2.) A document that purports to be a document certified by the Registrar for the purpose of the last preceding sub-section shall, unless the contrary is proved, be deemed to be such a document.

(3.) In the absence of proof to the contrary, a certificate given by the Registrar under Division 2 or 3 of this Part shall be deemed to have continued in force.

Service of  
documents.

**37.—(1.)** For the purposes of this Part, a document may be given to, or served on, a shareholder in a specified company by sending the document to that shareholder by post to the address specified in the register of members of that company as the address of that shareholder.

(2.) For the purposes of this Part, a certificate by the Registrar or other document may be given to, or served on, a person who has made application for the registration of a transfer of shares in a specified company by sending the document to that person by post at the address specified as his address in the application for the registration of the transfer.

**38.—**(1.) The registration of a transfer of foreign shares in a specified company, or the allotment of shares in a specified company, is, notwithstanding anything contained in this Part and notwithstanding that an offence against this Part may have been committed by reason of that registration or allotment, valid for all purposes.

Validity of entries made in contravention of this Part.

(2.) Nothing in the last preceding sub-section affects the operation of Divisions 3, 4 or 5 of this Part.

**39.** A specified company shall not destroy or dispose of a certificate or other document given under this Part by the Registrar in relation to shares in the specified company except with the approval of the Registrar.

Certificates to be retained by specified company.

**40.** A person who, with intent to deceive, makes a false or misleading statement in, furnishes false or misleading information in, or makes any material omission from, a document made or given under or for the purposes of this Part is guilty of an offence against this Part.

False or misleading statements.

**41.** A specified company which contravenes or fails to comply with a provision of this Part is guilty of an offence against this Part.

Offences by specified companies.

**42.** Where a specified company is convicted of an offence against this Part, each person who, at the time of the commission of the offence, was a director of the specified company shall be deemed to be guilty of the offence and punishable as if the offence had been committed by a person other than a body corporate unless he proves that the offence was committed without his knowledge or that he took reasonable steps to prevent the commission of the offence.

Directors to be guilty of offence against this Part.

**43.** The penalty for an offence against this Part is—

Penalties.

- (a) in the case of a person other than a body corporate—a fine not exceeding One thousand dollars, or imprisonment for a term not exceeding six months, or both a fine not exceeding that amount and imprisonment not exceeding that term; and
- (b) in the case of an offence by a body corporate—a fine not exceeding Two thousand dollars.

**44.** An offence against this Part is punishable summarily.

Offences to be summary offences.

PART III.—DISCLOSURE OF SUBSTANTIAL SHAREHOLDINGS IN SPECIFIED COMPANIES.

Definitions.

- 45.** In this Part, unless the contrary intention appears—
- “company” means a specified company;
  - “the Companies Ordinance” means the *Companies Ordinance 1962-1969*;
  - “voting share”, in relation to a specified company, means an issued share in the specified company, not being—
    - (a) a share to which, in no circumstances, is there attached a right to vote; or
    - (b) a share to which there is attached a right to vote only in one or more of the following circumstances:—
      - (i) during a period during which a dividend (or part of a dividend) in respect of the share is in arrear;
      - (ii) upon a proposal to reduce the share capital of the specified company;
      - (iii) upon a proposal that affects rights attached to the share;
      - (iv) upon a proposal to wind up the specified company;
      - (v) upon a proposal for the disposal of the whole of the property, business and undertaking of the specified company;
      - (vi) during the winding up of the specified company.

Stock deemed to be shares.

**46.** In relation to a company the whole or a portion of the share capital of which consists of stock, an interest of a person in any such stock shall be deemed to be, for the purposes of this Part, an interest in an issued share in the company having the same nominal amount as the amount of that stock and having attached to it the same rights as are attached to that stock.

Interests in shares.

**47.—(1.)** The following sub-sections have effect for the purposes of this Part.

(2.) Where the property subject to a trust consists of or includes shares and a person knows or has reasonable grounds for believing—

- (a) that he has an interest under the trust; and
- (b) that the property subject to the trust consists of or includes those shares,

he shall be deemed to have an interest in those shares.

(3.) Where—

- (a) a right, being a right or an interest described in the definition of “interest” in section 76 of the Companies Ordinance, was issued or offered to the public for subscription or purchase;
- (b) the public was invited to subscribe for or purchase such a right and the right was so subscribed for or purchased; or

(c) such a right was issued for the purposes of an offer to the public by, and is held by, the management company within the meaning of that section,  
that right does not constitute an interest in a share.

(4.) Where a body corporate has an interest in a share and—

- (a) the body corporate is, or its directors are, accustomed, or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of a person in relation to that share;
- (b) a person has a controlling interest in the body corporate; or
- (c) a person is, the associates of a person are, or a person and his associates are, entitled to exercise or control the exercise of not less than three-twentieths of the votes attached to the voting shares in the body corporate,

that person shall be deemed to have an interest in that share.

(5.) For the purposes of paragraph (c) of the last preceding sub-section, a person is an associate of another person if the first-mentioned person is—

- (a) a corporation that, by virtue of sub-section (5.) of section 6 of the Companies Ordinance, is deemed to be related to that other person;
- (b) a person in accordance with whose directions, instructions or wishes that other person is accustomed, or under an obligation, whether formal or informal, to act in relation to the share referred to in the last preceding sub-section;
- (c) a person who is accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of that other person in relation to that share;
- (d) a body corporate that is, or the directors of which are, accustomed, or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of that other person in relation to that share; or
- (e) a body corporate in accordance with the directions, instructions or wishes of which, or of the directors of which, that other person is accustomed, or under an obligation, whether formal or informal, to act in relation to that share.

(6.) Where a person—

- (a) has entered into a contract to purchase a share;
- (b) has a right, otherwise than by reason of having an interest under a trust, to have a share transferred to himself or to his order, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not;
- (c) has the right to acquire a share, or an interest in a share, under an option, whether the right is exercisable presently or in the future and whether on the fulfilment of a condition or not; or

(d) is entitled (otherwise than by reason of his having been appointed a proxy or representative to vote at a meeting of members of a corporation or of a class of its members) to exercise or control the exercise of a right attached to a share, not being a share of which he is the registered holder, that person shall be deemed to have an interest in that share.

(7.) A person shall not be deemed not to have an interest in a share by reason only that he has the interest in the share jointly with another person.

(8.) It is immaterial, for the purposes of determining whether a person has an interest in a share, that the interest cannot be related to a particular share.

(9.) There shall be disregarded—

- (a) an interest in a share if the interest is that of a person who holds the share as bare trustee;
- (b) an interest in a share of a person whose ordinary business includes the lending of money if he holds the interest only by way of security for the purposes of a transaction entered into in the ordinary course of business in connexion with the lending of money;
- (c) an interest of a person in a share, being an interest held by him by reason of his holding a prescribed office; and
- (d) a prescribed interest in a share, being an interest of such person, or of the persons included in such class of persons, as is prescribed.

(10.) An interest in a share shall not be disregarded by reason only of—

- (a) its remoteness;
- (b) the manner in which it arose; or
- (c) the fact that the exercise of a right conferred by the interest is or is capable of being made subject to restraint or restriction.

Substantial  
shareholdings  
and substantial  
shareholders.

**48.—(1.)** For the purposes of this Part, a person has a substantial shareholding in a company if he has an interest or interests in one or more voting shares in the company and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is not less than one-twentieth of the aggregate of the nominal amounts of all the voting shares in the company.

(2.) For the purposes of this Part, a person has a substantial shareholding in a company, being a company the share capital of which is divided into two or more classes of shares, if he has an interest or interests in one or more voting shares included in one of those classes and the nominal amount of that share, or the aggregate of the nominal amounts of those shares, is not less than one-twentieth of the aggregate of the nominal amounts of all the voting shares included in that class.

(3.) For the purposes of this Part, a person who has a substantial shareholding in a company is a substantial shareholder in that company.

**49.**—(1.) A person who is a substantial shareholder in a company shall give notice in writing to the company stating his name and address and full particulars (including, unless the interest or interests cannot be related to a particular share or shares, the name of the person who is registered as the holder) of the voting shares in the company in which he has an interest or interests and full particulars of each such interest and of the circumstances by reason of which he has that interest.

Substantial shareholder to notify company of his interests.

(2.) The notice shall be given—

- (a) if the person was a substantial shareholder on the date on which this Ordinance came into operation—within one month after that date; or
- (b) if the person became a substantial shareholder after that date—within fourteen days after becoming a substantial shareholder.

(3.) The notice shall be so given notwithstanding that the person has ceased to be a substantial shareholder before the expiration of whichever period referred to in the last preceding sub-section is applicable.

**50.**—(1.) Where there is a change (not being a prescribed change) in the interest or interests of a substantial shareholder in a company in voting shares in the company, he shall give notice in writing to the company stating his name and full particulars of the change, including the date of the change and the circumstances by reason of which that change has occurred.

Substantial shareholder to notify company of change in his interests.

(2.) The notice shall be given within fourteen days after the date of the change.

(3.) For the purposes of sub-section (1.) of this section, where a substantial shareholder in a company acquires or disposes of voting shares in the company, there shall be deemed to be a change in the interest or interests of the substantial shareholder in voting shares in that company.

**51.**—(1.) A person who ceases to be a substantial shareholder in a company shall give notice in writing to the company stating his name and the date on which he ceased to be a substantial shareholder and full particulars of the circumstances by reason of which he ceased to be a substantial shareholder.

Person who ceases to be substantial shareholder to notify company.

(2.) The notice shall be given within fourteen days after the person ceased to be a substantial shareholder.

**52.** The circumstances required to be stated in a notice under section 49, 50 or 51 of this Ordinance include circumstances by reason of which, having regard to the provisions of section 47 of this Ordinance—

References to operation of section 6A.

- (a) a person has an interest in voting shares;
  - (b) a change has occurred in an interest in voting shares; or
  - (c) a person has ceased to be a substantial shareholder in a company,
- respectively.

Persons holding shares as trustees.

**53.—(1.)** A person who holds voting shares in a company, being voting shares in which a non-resident has an interest, shall—

- (a) give to the non-resident a notice in the prescribed form as to the requirements of this Part; or
- (b) where the first-mentioned person—
  - (i) knows; or
  - (ii) has reasonable grounds for believing,

that an interest of the non-resident in the shares is an interest that the non-resident holds for another person— give to the non-resident a notice in the prescribed form as to the requirements of this Part and direct the non-resident to give the notice, or a copy of the notice, to that other person.

(2.) The notice shall be given—

- (a) if the first-mentioned person holds the shares on the date on which this Ordinance came into operation—within fourteen days after that date; or
- (b) if the first-mentioned person did not hold the shares on that date—within fourteen days after becoming the holder of the shares.

(3.) In this section, “non-resident” means a person who is not resident in Australia or a body corporate that is not incorporated in Australia.

(4.) Nothing in this section affects the operation of section 6 or 7 of this Ordinance.

Registrar may extend time for giving notice under this Division.

**54.** The Registrar may, on the application of a person who is required to give a notice under this Part, in his discretion, extend, or further extend, the time for giving the notice.

Company to keep register of substantial shareholders.

**55.—(1.)** A company shall keep a register in which it shall forthwith enter—

- (a) in alphabetical order the names of persons from whom it has received a notice under section 49 of this Ordinance; and
- (b) against each name so entered, the information given in the notice and, where it receives a notice under section 50 or 51 of this Ordinance, the information given in that notice.

(2.) The register shall be kept at the registered office of the company, or, if the company does not have a registered office, at the principal place of business of the company in the Territory, and shall be open for inspection by a member of the company without charge and by any other person on payment for each inspection of a sum of Fifty cents or such lesser sum as the company requires.

(3.) A person may request the company to furnish him with a copy of the register or any part of the register on payment in advance of the sum of Twenty cents or such lesser sum as the company requires for every one hundred words or fractional part thereof required to be copied and the company shall send the copy to that person, within fourteen days or such longer period as the Registrar thinks fit, after the day on which the request is received by the company.

(4.) The Registrar may at any time in writing require the company to furnish him with a copy of the register or any part of the register and the company shall furnish the copy within fourteen days after the day on which the requirement is received by the company.

(5.) If default is made in complying with this section, the company and every officer of the company who is in default is guilty of an offence.

Penalty: One thousand dollars.

Default penalty: Two hundred dollars.

(6.) A company is not, by reason of anything done under this Division—

- (a) to be taken for any purpose to have notice of; or
- (b) put upon inquiry as to,

a right of a person to or in relation to a share in the company.

**56.—(1.)** Where a person (in this section referred to as “the substantial shareholder”) is, or at any time after the date on which this Ordinance came into operation has been, a substantial shareholder in a company and has failed to comply with section 49, 50 or 51 of this Ordinance, the Supreme Court may, on the application of the Attorney-General, whether or not that failure still continues, make one or more of the following orders:—

- (a) an order restraining the substantial shareholder from disposing of any interest in shares in the company;
- (b) an order restraining a person who is, or is entitled to be registered as, the holder of shares referred to in the last preceding paragraph from disposing of any interest in those shares;
- (c) an order restraining the exercise of any voting or other rights attached to any share in the company in which the substantial shareholder has or has had an interest;
- (d) an order directing the company not to make payment, or to defer making payment, of any sum due from the company in respect of any share in which the substantial shareholder has or has had an interest;
- (e) an order directing the sale of all or any of the shares in the company in which the substantial shareholder has or has had an interest;
- (f) an order directing the company not to register the transfer or transmission of specified shares;

Powers of court with respect to defaulting substantial shareholders.



- (g) an order that any exercise of the voting or other rights attached to specified shares in the company in which the substantial shareholder has or has had an interest be disregarded;
- (h) for the purposes of securing compliance with any other order made under this section, an order directing the company or any other person to do or refrain from doing a specified act.

(2.) Any order under this section may include such ancillary or consequential provisions as the Supreme Court thinks just.

(3.) An order under this section directing the sale of a share may provide that the sale shall be made within such time and subject to such conditions, if any, as the Supreme Court thinks fit, including, if the Court thinks fit, a condition that the sale shall not be made to a person who is, or, as a result of the sale, would become, a substantial shareholder in the company.

(4.) The Supreme Court may direct that, where a share is not sold in accordance with an order of the Court under this section, the share shall vest in the Registrar.

(5.) The Supreme Court shall, before making an order under this section and in determining the terms of such an order, satisfy itself, so far as it can reasonably do so, that the order would not unfairly prejudice any person.

(6.) The Supreme Court shall not make an order under this section, other than an order restraining the exercise of voting rights, if it is satisfied—

- (a) that the failure of the substantial shareholder to comply as mentioned in sub-section (1.) of this section was due to his inadvertence or mistake or to his not being aware of a relevant fact or occurrence; and
- (b) that, in all the circumstances, the failure ought to be excused.

(7.) The Supreme Court may, before making an order under this section, direct that notice of the application be given to such persons as it thinks fit or direct that notice of the application be published in such manner as it thinks fit, or both.

(8.) The Supreme Court may rescind, vary or discharge an order made by it under this section or suspend the operation of such an order.

(9.) Section 311 of the Companies Ordinance applies in relation to a share that vests in the Registrar under this section as the first-mentioned section applies in relation to an estate or interest in property referred to in the first-mentioned section.

(10.) A person shall not contravene or fail to comply with an order under this section that is applicable to him.

Penalty: One thousand dollars.

Default penalty: Two hundred dollars.

(11.) The last preceding sub-section does not affect the powers of the Supreme Court in relation to the punishment of contempts of the Court.

**57.** A person who fails to comply with section 49, 50, 51 or 53 of this Ordinance is guilty of an offence.

Offences against certain sections.

Penalty: One thousand dollars.

Default penalty: Two hundred dollars.

**58.—(1.)** It is a defence to a prosecution for failing to comply with section 49, 50, 51 or 53 of this Ordinance if the defendant proves that his failure was due to his not being aware of a fact or occurrence the existence of which was necessary to constitute the offence and that—

Defence to prosecutions.

- (a) he was not so aware on the date of the information or summons;
- (b) he became so aware less than fourteen days before the date of the information or summons; or
- (c) he became so aware not less than fourteen days before the date of the information or summons and gave the notice under the relevant section within fourteen days after becoming so aware.

(2.) For the purposes of the last preceding sub-section, a person shall conclusively be presumed to have been aware at a particular time of a fact or occurrence of which a servant or agent of the person, being a servant or agent having duties or acting in relation to his master's or principal's interest or interests in a share or shares in the company concerned, was aware at that time.

**59.** An offence against this Part is punishable summarily.

Offences to be summary offences.

#### PART IV.—REGULATIONS.

**60.** The Attorney-General may make regulations, not inconsistent with this Ordinance, prescribing all matters which by this Ordinance are required or permitted to be prescribed, or which are necessary or convenient to be prescribed for carrying out or giving effect to this Ordinance, and in particular—

Regulations.

- (a) prescribing the forms of documents and notices under this Ordinance; and
- (b) prescribing fees to be paid in respect of matters arising under this Ordinance.