



Transcript of Proceedings

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State Reporting Bureau
Date: 10 November, 2003

SUPREME COURT OF QUEENSLAND

CIVIL JURISDICTION

HOLMES J

WORLDPLAY SERVICES PTY LTD
ACN 100 713 086

First Plaintiff

and

PACIFIC DELTA INVESTMENTS LIMITED

Second Plaintiff

and

QUENTIN DOUGLAS GEORGE

Defendant

BRISBANE

..DATE 05/11/2003

JUDGMENT

WARNING: The publication of information or details likely to lead to the identification of persons in some proceedings is a criminal offence. This is so particularly in relation to the identification of children who are involved in criminal proceedings or proceedings for their protection under the *Child Protection Act 1999*, and complainants in criminal sexual offences, but is not limited to those categories. You may wish to seek legal advice before giving others access to the details of any person named in these proceedings.

HER HONOUR: The applicant/first plaintiff provides an administrative type service and call centre for the purposes of the second plaintiff's business. The latter trades as World Games Incorporated which carries on a business of online gaming. Mr Kennedy, who's a deponent in respect of two of the affidavits, is a director of both companies.

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The first plaintiff employed the defendant, Mr George, as its manager responsible for the promotion of the WGI business so that he was an employee of the first plaintiff but carrying out work for the second plaintiff, in effect. In the course of that employment he was given a car and a laptop and had access to the data for both companies.

He resigned on the 13th of October 2003. It is evident that he has been in dispute about his entitlements, ever since, with the first plaintiff. On the 31st of October, for example, he set out the amounts he claimed as being owed to him. In the email in which he did so, he referred to being in a very unstable bipolar state. It is not known, of course, at this stage, what he meant by that or whether it was meant seriously, but it raises some mild concern, of course.

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World Games Leisure PLC is a company seeking to be publicly listed. In the course of floating, Mr Kennedy says, it will obtain a proprietary interest in assets of the second plaintiff. The defendant has sent emails to Mr Steinbruchel, a director of World Games Leisure PLC. The material emailed is an annexure to the affidavit of Mr Kennedy.

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On the 2nd of November the defendant emailed to Mr Steinbruchel a long letter which set out, among other things, details of World Games Inc's financial position and details of internal discussions within the first and second plaintiffs about it. The email seems to have annexed to it spreadsheets prepared in that connection and extensive notes, which were headed "Confidential", summarising the cash flow issues prepared by the defendant.

On the 4th of November, the defendant emailed Mr Coulthart, a solicitor employed by Hopgood Ganim, Lawyers, who act for the plaintiffs. The email objected to a valuation in World Games Leisure PLC's prospectus for the purposes of the float. The complaint of the defendant seems to have been of the inclusion of his name in the prospectus, in connection with the valuation, in a way in which he says implied his involvement in it and his approval of it.

There was, in fact, a reassurance given by Mr Coulthart that the defendant's name would be removed but that does not seem to have changed his approach, judging by subsequent emails. At any rate, what the defendant demanded was, an indemnity or undertakings to remove the valuation by 5.00 p.m. today. If that was not done, he said, he would write to directors of World Games Leisure PLC and he annexed a draft letter which he proposed to send. That letter alleges that the valuation is a sham and provides information as to World Games Inc's databases and financial status. It tells the directors of World Games Leisure PLC that if they do not remove the

valuation he will write to United Kingdom Regulators, the
London Stock Exchange and the valuation.

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Now, the overall affect of the material, in my view, is this:
there is no evidence which would justify a conclusion that the
defendant will destroy or interfere with the material that he
is holding. There is evidence that suggests that he has
disclosed and is likely to disclose confidential information
which came into his possession as an employee of the first
plaintiff, the disclosure of which clearly would be to the
detriment of the first plaintiff and the second plaintiff.

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I would have concerns about giving an order at the behest of
the second plaintiff because it has no assets in the
jurisdiction but I accept the interest of the first plaintiff
as the employer and the provider of the information and as
affected by the result of disclosure.

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I might say, on the material, there are two available
constructions. One is that Mr George is proposing to operate
as a whistle blower with a legitimate concern. The other is
that he is, in effect, undertaking a blackmail in the context
of the dispute over his entitlements. It is sufficient, I
think, to say that there is a serious question here and that
the circumstances are such that the balance of convenience
favours the granting of an interim injunction in the terms
proposed by the plaintiffs which is only until the close of
business effectively on Friday.

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The urgency of the matter, I think, justified the application
on an ex parte basis given the threat of further disclosure
today. Those being my reasons, I'll make the order as per the
draft, which I will initial.

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