



Transcript of Proceedings

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Date: 5 December, 2003

SUPREME COURT OF QUEENSLAND

CIVIL JURISDICTION

JONES J

Application No 466 of 2003

MOSSMAN CENTRAL MILL COMPANY LTD

Applicant

CAIRNS

..DATE 01/12/2003

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.

HIS HONOUR: This is an application on behalf of the Mossman Central Mill Company Ltd for the approval of the scheme of arrangement for restructuring of the mill, following meetings of shareholders held on the 20th of November 2003 approving the scheme.

The test which is to be applied is set out in re Challenge Bank Ltd, reported in the 19 Australia Corporations and Security Reports 421.

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HIS HONOUR: In the case, Justice Nicholson stated, "The Court is required to consider then to be satisfied whether the proposals in the scheme are at least fair and reasonable from the viewpoint of an intelligent and honest person. That is, a person who might approve it."

In this case I considered the terms of the proposed scheme when making the order permitting the calling of the meeting to consider the arrangement, and so I am satisfied that that test holds in respect of the scheme as it has now been approved by the respective classes of shareholders.

The Constitution required that the resolution be passed by shareholders with 75 per cent of the value of shares and 50 per cent in number. In respect of each category of shareholding those requirements were well exceeded at the meeting.

I am satisfied also that proper arrangements were made for the calling of the meeting and its publication, and also satisfied that each of the shareholders was properly informed of the meeting and or nature of the scheme and the effect of the resolution.

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HIS HONOUR: The applicant also seeks the dispensation from compliance with section 411(11) of the Corporations Act which requires the attachment of this order to every copy of the Constitution. Given that a completely new Constitution results from the approval of the scheme of arrangement and there is no issue which concerns persons external to the company, the requirement of section 411(11) seem to have no useful purpose. I therefore excuse the applicant from complying with it.

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I will make orders in terms of the draft initialled by me and placed with the papers.

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