



Thursday, 23 February 2006

Sydney Gas Limited – Panel Receives Application

The Takeovers Panel advises that it has received an application from Sydney Gas Limited (**SGL**), in relation to a takeover offer by Queensland Gas Company Limited (**QGC**) for all the shares in SGL (**Offer**).

SGL's application submits that the QGC bidder's statement contains a number of deficiencies. SGL submits that the deficiencies include:

- the prominence and significance which QGC has placed on QGC's offer to refinance the SGL convertible notes (which are redeemable on 1 April 2006 and 1 June 2006 (**Funding Offer**)) without disclosing what SGL considers is the conditional and uncertain nature of that Funding Offer;
- the information supporting forward looking statements that QGC has made in its bidder's statement as to its future revenue;
- detail in relation to the debt facilities recently entered into by QGC, contracts under negotiation, and the Chinchilla Power Station project.

SGL has sought a declaration of unacceptable circumstances, interim and final orders.

SGL has sought an interim order that QGC delay the despatch of its bidder's statement to SGL shareholders until the alleged deficiencies in the bidder's statement have been corrected.

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 the other parties to the application and it is, therefore, unaware of their views.

The President of the Panel is appointing a sitting Panel to consider the application.

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