

THE TAKEOVER PANEL

LONDON TIN CORPORATION LIMITED **("LONDON TIN")**

On 3rd June, 1975 the Panel ruled that as a result of purchases of ordinary shares in London Tin by Tradewinds Malaysia Sendirian Berhad, a wholly owned subsidiary of Pernas Securities Sendirian Berhad ("Pernas") at a time when Pernas and Haw Par. Brothers International Limited ("Haw Par") were acting in concert, there was an obligation under the Code, for a bid to be made at a price of 197 3/16p to the 49% minority holders of shares in London Tin not already owned by Haw Par and Pernas.

This obligation on Haw Par and Pernas has still to be fulfilled.

Since that date efforts have been made to formulate a scheme whereby the obligation to the London Tin shareholders can be met to the satisfaction of the Panel. During this time, Haw Par has been passing through a period of significant financial and managerial change. The Panel recognises that, whilst the bid obligation on Haw Par remains, there is little practical likelihood of their making a significant contribution in the immediate future to meet the obligation. A set of proposals has now been put forward by Pernas, advised by N.M. Rothschild & Sons Limited ("Rothschilds") which is subject to the necessary consents and approvals in the UK, Malaysia and Singapore, and to the due agreement of the shareholders in the various companies involved. An outline of these proposals is set out in the announcement made to-day jointly by Rothschilds (on behalf of Pernas) and Charter Consolidated Limited. Robert Fleming & Co. Limited, advisers to London Tin, have similarly made an announcement to-day.

On the information presently before the Panel, and in all the circumstances of this difficult case, the Panel would be prepared to consider that an offer by Pernas on these bases would, if implemented, be considered a discharge of the obligation to those London Tin shareholders. The Panel wishes to make it clear that it is only because of the exceptional circumstances of this case that it is prepared to accept that this compromise solution is in the best interests of all shareholders.

Final approval will be given when the Panel is satisfied as to the detailed implementation of the proposals.

1st April, 1976.

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Press Release

For Release - 9.30.a.m. on 1st April, 1976

LONDON TIN CORPORATION LIMITED

The Board of London Tin Corporation Limited and its advisers Robert Fleming & Co. Limited have considered the announcement by N.M. Rothschild & Sons Limited, on behalf of Pernas Securities Sendirian Berhad ("Pernas"), and Charter Consolidated Limited, consequent upon the statement by the full Panel on Takeovers and Mergers of the 1st April, 1976. London Tin and its advisers are continuing to co-operate with Pernas and its advisers in negotiations with the various authorities involved in order that detailed proposals can be formulated and submitted to shareholders for their approval. Such proposals will, of course, have due regard to the rights and interests of the employees of the London Tin Group. Shareholders of London Tin will be informed of developments at the earliest opportunity.

End.

Enquiries :-

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Press Announcement by N.M. Rothschild & Sons Limited
and Charter Consolidated Limited

PERNAS SECURITIES SENDIRIAN BERHAD
AND
LONDON TIN CORPORATION LIMITED

In June, 1975 the Panel on Take-overs and Mergers ruled that an obligation had been incurred by Pernas Securities Sendirian Berhad ("Pernas") and Haw Par Brothers International Limited ("Haw Par") who, together own 51 per cent. of the share capital of London Tin to make an offer to the holders of the remaining 49 per cent. of the share capital of London Tin at a price of 197³/16p per share. This followed certain purchases in London by a subsidiary of Pernas at a time when Pernas and Haw Par were acting in concert.

It is announced, with the consent of the Take-over Panel, which has today issued a separate statement, that as a result of negotiations which have taken place during the last eight months, proposals have now been formulated which, if implemented, would result in a Malaysian company associated with Pernas making an offer for the London Tin shares not already owned by Pernas and its subsidiaries. If the appropriate Exchange Control permissions are forthcoming, investment currency would become available to qualifying shareholders to a value approximating to that of the mandatory bid. In those circumstances, a London Tin shareholder who qualifies for investment currency and accepts the offer would be subject to the normal surrender rules, should he wish to dispose of the investment currency for sterling.

As part of these arrangements Pernas and Charter Consolidated Limited ("Charter") intend at the appropriate time effectively to merge their tin mining interests by placing them in a new Malaysian company for which a quotation is

envisaged in due course. The assets of this company would be managed by a new Malaysian company jointly owned by Pernas and Charter.

Before these proposals can be implemented consents must be obtained from the UK Exchange Control and Revenue authorities. Approvals of the authorities in Malaysia must be received both for the partnership between Pernas and Charter, and for the proposed offer; permissions of the relevant authorities in Singapore obtained, and the position of Haw Par and its holding of 30 per cent in London Tin resolved. These matters will necessarily take some time to complete.

In the light of the Panel Statement issued today, Pernas, which is being advised by N.M. Rothschild & Sons Limited, will continue its negotiations with the various relevant authorities and the Board of London Tin.

Provided that all the matters referred to above are concluded satisfactorily, detailed proposals will be formulated. It is envisaged that an integral part of the implementation of these proposals will be the putting forward of a Scheme of Arrangement, under the provisions of Section 206 of the Companies Act, 1948, for the approval of shareholders of London Tin in general meeting.

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