

EXPLANATORY MEMORANDUM
AUSTRALIAN CAPITAL TERRITORY

Ordinance No. 1973

Companies (Uranium Mining Companies) Ordinance 1973

This Ordinance makes two minor amendments to the Companies (Uranium Mining Companies) Ordinance 1970-1972 of the Australian Capital Territory.

2. The Principal Ordinance applies to two companies, namely Kathleen Investments (Australia) Limited and Queensland Mines Limited. The main features of the Principal Ordinance are that it -

- (a) limits to fifteen percent the total number of shares in those companies that may be held by persons not ordinarily resident in Australia,
- (b) limits to five percent the number of shares in those companies that may be held by one person not ordinarily resident in Australia or by a foreign corporation,
- (c) contains provisions to protect from its operation rights that had accrued before 16 March 1972, and
- (d) requires a person or corporation having an interest in shares representing more than five percent of the issued capital of those companies to disclose the nature of the interest and circumstances in which it was acquired.

3. Part III of the Principal Ordinance deals with the disclosure of substantial shareholdings in the specified companies and provides, in section 53(1.), that where a person holds voting shares in a specified company and those shares are shares in

which a non-resident has an interest, that person shall give the non-resident a notice in the prescribed form as to the requirements of Part III of the Ordinance. No form has previously been prescribed.

4. Section 4 of this Ordinance amends section 53 of the Principal Ordinance to take account of the fact that no form has been previously prescribed for the purposes of the existing section 53. The amendments also take account of the fact that the holder of voting shares may have given, or may give, a notice that does not contain the direction to the non-resident or he may have given a notice that does contain the direction.

5. Section 5 of this Ordinance inserts in the Principal Ordinance a schedule containing the prescribed form for the purposes of section 53.

6. In order to protect rights that had accrued before 16 March 1972, the Companies (Uranium Mining Companies) Ordinance 1972 inserted additional provisions in the Principal Ordinance to ensure that any new shares that are issued by a specified company will enjoy the same protection as the shares to which they are attributable. For this purpose, section 18(3.) of the Principal Ordinance deems certain shares to have been held continuously since 15 March 1972. Section 3 of this Ordinance corrects an error that was made in the Companies (Uranium Mining Companies) Ordinance 1972 by amending section 18(3.) of the Principal Ordinance so that it applies to 'any shares in a specified company' instead of to 'any shares in a foreign company'

7. These amendments do not affect in any way the substantive provisions of the Principal Ordinance outlined in paragraph 2 above.

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