



Securities Act (Barramundi Limited) Exemption Notice 2006

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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Notice

- 1 Title**
 This notice is the Securities Act (Barramundi Limited) Exemption Notice 2006.
- 2 Commencement**
 This notice comes into force on the day after the date of its notification in the *Gazette*.
- 3 Expiry**
 This notice expires on the close of 31 December 2006.
- 4 Interpretation**
 (1) In this notice, unless the context otherwise requires,—
Act means the Securities Act 1978

issuer means Barramundi Limited

Regulations means the Securities Regulations 1983

specified securities means ordinary shares and options to subscribe for ordinary shares of the issuer offered to the public by the issuer.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

5 Exemption from clause 10(1)(c) of Schedule 1 of Regulations

The issuer and every person acting on its behalf are exempted from clause 10(1)(c) of Schedule 1 of the Regulations in respect of any offer of specified securities.

6 Conditions of exemption

The exemption in clause 5 is subject to the conditions that—

- (a) either—
- (i) the specified securities are quoted, or approved for quotation, on a securities market operated by New Zealand Exchange Limited; or
 - (ii) application has been made to New Zealand Exchange Limited for quotation of the specified securities on a securities market operated by New Zealand Exchange Limited and, at the time of the offer of the specified securities, the issuer has complied with all the requirements of New Zealand Exchange Limited relating to the application with which it must comply at that time; and
- (b) the registered prospectus relating to the offer of the specified securities contains, in the place where the prospective statement of cash flows required by clause 10(1)(c) would otherwise be set out,—
- (i) a prominent statement to the effect that investors should regard investment in the issuer as high risk; and
 - (ii) a prominent statement to the effect that the directors believe that they are unable to provide a meaningful prospective statement of cash flows

- and a statement of the directors' reasons for forming that view; and
- (c) the investment statement relating to the offer of the specified securities contains at the front of the "*What returns will I get?*" section a prominent statement to the effect that the issuer believes that it is unable to reliably predict future returns and that, as such, investors should rely on their own judgement or on independent advice as to the likely level of returns.

Dated at Wellington this 22nd day of September 2006.

The Common Seal of the Securities Commission was affixed in the presence of:

[Seal]

C Beyer,
Member.

Statement of reasons

This notice, which comes into force on the day after the date of its notification in the *Gazette* and expires on 31 December 2006, exempts Barramundi Limited from clause 10(1)(c) of Schedule 1 of the Securities Regulations 1983, which is the requirement that the registered prospectus must provide a prospective statement of cash flows.

The Securities Commission considers that it is appropriate to grant the exemption because—

- Barramundi Limited is an investment company, whose business is therefore more akin to that of a managed fund investing in market instruments than a traditional company. Barramundi Limited has not yet determined the precise make-up of its investment portfolio. For this reason, any prospective financial information provided by Barramundi Limited would

be highly speculative and be of little relevance to potential investors:

- the condition that the prospectus contains a statement of Barramundi Limited's reasons for not providing the prospective statement of cash flows, and an acknowledgement that the investment is high risk, requires that potential investors are informed that certain information is not included and why, and their attention is drawn to the nature of the investment:
- the directors of Barramundi Limited must still give a general description of their plans under clause 10(1)(a) of Schedule 1 of the Securities Regulations 1983.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 26 September 2006.

This notice is administered by the Securities Commission.
