

# Quantum leaps to replace three directors on Intrepid board

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MINING

ACTIVIST private equity fund Quantum Pacific has scored a win in its long battle to gain control of Intrepid Mines after forcing an overhaul of the board.

Quantum Pacific succeeded yesterday in its second attempt to remove directors and replace them with three of its appointees in a move to return the company's cash to shareholders.

It had been hoping to remove five of the six directors and replace them with three of its appointees but shareholders only agreed to the removal of three. Chairman Ian McMaster and chief executive Scott Lowe were retained.

"We look forward to working constructively with fellow Intrepid directors and in accordance with our fiduciary duties, to respond to shareholder expecta-

tions and determine a future of the company which will serve the best interests of all shareholders in a fair and transparent manner," said Greg Mazur of Quantum Pacific, one of the newly appointed directors.

The fund, which with Fides Capital Partners controls more than 5 per cent of Intrepid's stock, failed in an attempt last June to replace the board. The group moved on the company then because of concerns it had spent \$100 million on the controversial Indonesian copper and gold project Tujuh Bukit without holding legal title over the project.

Intrepid had been embroiled in a long battle over its 80 per cent stake in the world-class copper-gold mine project and was effectively kicked off the site in July 2012 by its Indonesian partner, which then transferred ownership of Intrepid's stake to a new vehicle.

Intrepid exited the project earlier this year in a deal that netted it \$US80m, taking its cash pile to \$176m.

Intrepid's market value has fallen by more than \$1 billion since the drama at the site began.

Mr Lowe told *The Australian* after the meeting yesterday that it was premature to speculate on what the new board would now choose to do with the company's cash. He said he had seen comments made by Quantum and he agreed that the new board would be looking forward, not backward.

"We will work constructively with them and come to a conclusion on the future of the company," he said.

"I am confident all the directors will act professionally and be looking forward rather than going back over old ground. The one thing we have in common is letting the shareholders choose the future of the company."