

MERGER DECISION NO 24 OF 2022

DECISION ON THE PROPOSED ACQUISITION OF CERTAIN ASSETS OF THE BUSINESS OF TULI TOURISM (PTY) LTD, BEING LOT 12436 SELEBI PHIKWE, KNOWN AS SYRINGA LODGE BY PREMIUM NICKEL RESOURCES (PTY) LTD.

Introduction of the Merging Parties

- i. Pursuant to Section 53(4) (a) (ii) of the Competition Act of 2018 (“the Act”), notice is hereby given on the decision made by the Competition and Consumer Authority (“The Authority”) in respect of the proposed acquisition of certain assets of the business of Tuli Tourism (Pty) Ltd (“Tuli Tourism”), being Lot 12436 Selebi Phikwe, known as Syringa Lodge by Premium Nickel Resources (Pty) Ltd (“PNR”). The transaction was notified to the Authority on 12th July 2022 and the merger assessment was completed on 10th August 2022.
- ii. The Acquiring Enterprise, PNR, is a company incorporated in accordance with the Laws of the Republic of Botswana. PNR is wholly owned by PNR Selebi Ltd (“PNR Selebi”). PNR Selebi together with PNR Selkirk Group Ltd (“PNR Selkirk”), are wholly owned by PNR International Ltd (all Barbados based). PNR International Ltd (“PNR Barbados”), is a subsidiary of Premium Nickel Resources Corporation (PNR Canada), a company registered in Canada. PNR Selkirk has a 100% subsidiary in Botswana, Premium Nickel Group Ltd, which has recently acquired the assets of Tati Nickel Mining Company, and the acquisition was unconditionally approved by the Authority on 25th May 2022, CAS- 01647-L2J6W.
- iii. The Target Enterprises, Tuli Tourism, is a company incorporated in accordance with the Laws of the Republic of Botswana. Tuli Tourism is controlled equally by Patrick Anthony O’Connell, Michael Celceus Hehir (both Irish), Michael Kieran Hehir and Barry John O’Connell (both Botswana). In turn, Tuli Tourism does not directly or indirectly control any firm in Botswana.

Relevant Markets

- iv. Acquirer is a special purpose vehicle that was incorporated for purposes of acquiring certain assets, and it has acquired certain business assets of BCL, which is in liquidation. Other than that, the Acquiring Entity does not have any business

activities in Botswana and neither produces nor sells any products into or from Botswana.

- v. The Target Firm owns, Lot 12436 Selebi Phikwe, the asset being sold, also known as Syringa Lodge. Syringa Lodge is a hospitality business.

Competitive Analysis and Public Interest

- vi. The Authority has not established any substantial lessening of competition concerns arising from the merger. Furthermore, there is no acquisition of market dominance post-merger; nor any negative effect on public interest that was identified.

The Determination

- vii. Pursuant to the provision of Section 53 of the Competition Act, the Authority has decided to unconditionally approve the proposed acquisition of certain assets of the business of Tuli Tourism (Pty) Ltd being Lot 12436 Selebi Phikwe, known as Syringa Lodge by Premium Nickel Resources (Pty) Ltd.

However, as stated under Section 61 of the Act, this approval does not override or negate any other mandatory statutory approvals or processes that any of the parties to this merger must comply with under the Laws of Botswana.

Dated at Gaborone on this 12th day of August 2022.

Tebelelo Pule, Chief Executive Officer, Competition and Consumer Authority, P/Bag 00101, Gaborone, Plot 28, Matsitama Road, Tel: 3934278 Fax: 3121013