



## MERGER DECISION NO 38: 2021

### Notice in Terms of Section 53(4) (a) (ii) of the Competition Act 2018

#### **DECISION ON THE PROPOSED ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF AMULET DIAMOND (BOTSWANA) (PTY) LTD FROM AMULET DIAMOND CORPORATION BY VISIONARY VICTOR 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 100% of the issued share capital of Amulet Diamond (Botswana) (Pty) Ltd ("Amulet Botswana") from Amulet Diamond Corporation ("Amulet") by Visionary Victor Resources (Pty) Ltd ("VVR"). The transaction was notified to the Authority on 17<sup>th</sup> September 2021 and the merger assessment was completed on 14<sup>th</sup> October 2021.
- ii. VVR, the Acquiring Enterprise, is a company incorporated in accordance with the Laws of Botswana. It is wholly owned by Mr Sesegolo Atang Makgekgenene, who is also its sole director. VVR was created for the purposes of the current transaction and therefore is not currently trading.
- iii. Amulet Botswana, The Target Enterprise, is incorporated in accordance with the Laws of Botswana. The Target enterprise is currently not trading. It is wholly owned by Amulet, a private diamond mining company incorporated under the laws of Ontario Province, Canada. Amulet is controlled by Gareth Penny and Diacore Diamond Group.

#### **Relevant Markets**

- iv. VVR, the Acquiring Enterprise, has never traded as it was established for the purposes of the current transaction. On the other hand, the Target Enterprise is a private mining company that has been dormant since 2019.

#### **Competitive Analysis and Public Interest**

- v. The Authority's assessment revealed that the transaction under assessment is not expected to substantially lessen competition in the relevant market in Botswana. Furthermore, there is no acquisition of market dominance post-merger; nor any

negative effect on public interest in that was identified as per the provisions of section 52(2) of the Competition Act of 2018.

### **The Determination**

- vi. Pursuant to the provision of section 53 of the Competition Act, the Authority has decided to unconditionally approve the proposed acquisition of 100% of the issued share capital of Amulet Diamond (Botswana) (Pty) Ltd from Amulet Diamond Corporation by Visionary Victor 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 14<sup>th</sup> day of October 2021.

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