

## **Stage 2 - Part 7.**

Selected pages on Nigel Burch's 117 Page Statement to A.S.I.C. featuring Ivo Sulento Deputy Director of Croatian version of our A.S.I.C. or better known as Anton Billis's "Bum Boy"!



**NIGEL FRANK BURCH States:**

My full name is Nigel Frank Burch.

I have no formal qualifications.

From 1984 until 1989 I was the managing director of a publishing company in Tasmania, Carina Publications Pty Ltd.

Subsequent to that I became a consultant to Arthur Anderson in its Corporate Recovery Division for 18 months, before becoming the Managing Director of Enterprise Gold Mines NL, which was a mining company based in Perth.

I stayed with Enterprise Gold Mines NL until 1994.

From approximately October 1995 until October 1998 I worked in a variety of different jobs in Croatia and Bosnia. Whilst in Croatia I was Finance Director for a chain of supermarkets in Zagreb. Whilst I was in Bosnia, I put together a project team for the Bosnian government to revive the State owned steel company 'Zenice Ironworks', which had been the country's largest employer before the war.

*Nigel Burch*

When I returned to Australia in 1998 I spent a few months in Melbourne, before coming back to Perth in about March or April 1999.

When I returned to Perth a solicitor friend of mine offered to me the use of one of his offices. I accepted and from 1999 until early 2001 I worked at the offices of Margaretic, Barristers and Solicitors. I provided consultancy work to Margaretic on a semi-casual basis.

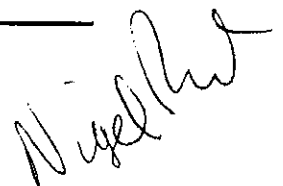
I was unemployed for a short time after working at Margaretic, before I commenced formal employment with the company Oretek Ltd ("**Oretek**") on or about 13 August 2001. I worked at Oretek until early October 2001.

I am currently working as a private investigator.

#### **RAND & TRIBUNE**

In about 1996, whilst I was in Croatia, I met a man called Anton Billis ("**Anton**").

I was introduced to Anton by Ivo Sulenta ("**Ivo**"). Ivo was a friend of mine. I first met Ivo in about 1994 outside the Australian Stock Exchange ("**ASX**") building in Perth. Ivo and I used to watch the stock market on the screen at the ASX. We also caught the same bus.

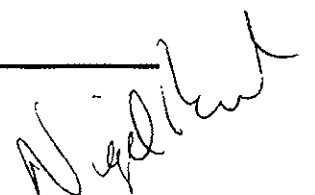


Ivo did not have a job when I first met him. When I went to Croatia in 1995 Ivo told me that he would be going to Croatia as well to open up a petrol station. However, when Ivo came to Croatia a short time after me he got a job as the deputy chief of the Croatian Securities Commission.

Ivo rang me one day when I was in Zagreb, Croatia, and asked me to come to the Sheraton Hotel to meet his friend, Anton. I then went to the hotel and met Anton for the first time. Ivo introduced Anton to me as the boss of two mining companies, Rand Mining NL ("**Rand**") and Tribune Resources NL ("**Tribune**"). It was either on the telephone, or at the meeting at the hotel, that Ivo said to me words to the effect, "Anton is the boss of Rand and Tribune, two mining companies based in Perth." Ivo also said words to the effect, "Anton has shareholding control of these companies as well as management control."

Anton confirmed as much to me when I met him at the hotel as when he referred to Rand and Tribune during our discussions he referred to them as "my companies".

I struck up a friendship with Anton upon my return to Perth in March or April 1999.



I used to visit Anton at the offices of Rand and Tribune. The offices of Rand and Tribune were located at 49 Melville Parade in South Perth ("**Rand Tribune office**").

I recall that on one visit to the Rand Tribune office in mid 1999 Anton said to me that Tribune had a great gold "strike" at a place called "Raleigh" ("**Raleigh Deposit**"). Anton told me I should buy some Tribune. However, I did not buy any Tribune shares at that time.

The Raleigh Deposit was located on mining tenements held by the East Kundana Joint Venture ("**EKJV**"), just outside of Kalgoorlie. Tribune had about a 36% interest in the joint venture, together with Rand, which I understood as having about a 12% interest and Gilt-edged Mining NL, which held a 51% interest.

Gilt-Edged Mining NL was a wholly owned subsidiary of Goldfields Ltd ("**Goldfields**"). Goldfields is now known as AurionGold Limited.

A few months after Anton first told me to buy Tribune shares he showed me the Raleigh Deposit drill logs and I was impressed. I bought shares in Tribune in late 1999 or early 2000 at about 25 cents each.

*Nigel Burch*

I continued to visit the Rand Tribune office periodically over the next couple of years. In January 2001 I was visiting the office about once or twice a week. The frequency of my visits increased from January 2001 and by March 2001 I was visiting the office about three times a week and staying there for longer periods. By July 2001 I was visiting the Rand Tribune office probably three to four times a week for quite extended periods.

At that time, Rand and Tribune had no secretary or receptionist so when I visited I would try and help out. There would always be a mess in the coffee area, so I would clean up that mess and wash all their cups for them. Sometimes I even answered the phone for them.

Eventually Rand and Tribune got a receptionist in mid 2001.

From about mid 2000 onwards I used to see a man by the name of Michael Giovinazzo ("**Mike**") with Anton all the time when I went to the Rand Tribune office. I recall when I first met Mike that Anton introduced him to me as his assistant.

Mike is a very sociable guy so it was easy to get friendly with him. He was always prepared to give me lots of information about what was happening in Rand and Tribune.

*Nigel Burch*

The bulk of the shares in Orettek were also held by Trans Global. Anton and Mike said to me words to the effect, "Orettek is our vehicle to float Trans Global's interest in the technology. It is a way to enable us to sell an interest in the technology to big and small investors and raise money, whilst retaining shareholding and management control."

I have only a limited knowledge of Trans Global. I recall that Anton used to say to me words to the effect, " No-one can prove that Trans Global is me. If anybody searches Trans Global Trust they will get a shock. They will find the head of the Securities Commission and a director from INA." I understood that when Anton referred to the 'Head of the Securities Commission' he was referring to Ivo, who was a director of Trans Global. INA is the Croatian state oil company.

Orettek subsequently granted a licence to a South African company, Sovereign Chemicals, to use the Orettek technology in South Africa, and some other African countries.

#### **ORETEK KOREA PROPOSAL**

When I saw that Orettek had granted a licence to a South African company to use the Orettek technology I said to Anton words to the effect,

*Nigel Frank*

Mike used his mobile phone to make all his confidential calls. He said to me words to the effect, "the mobile phone is scrambled so I have more confidence in it."

Anton, Mike and I had keys to the Orettek office. No one else had a key to the Orettek office to my knowledge. If Dr Jay, who was based in Melbourne, came to the office, he usually came during business hours and the office was open anyway.

As to the other directors of Orettek at that time, Ivo was based in Croatia, so he did not have a key. I never saw Tim Galic ("**Galic**"), who I also understood to be a director of Orettek at that time, at the Orettek office. In fact, I only met Galic after I left Orettek's employ.

As far as I was concerned, Mike 'was' Orettek. Orettek's office was based at 4 Judd Street and Mike was the only person that worked at that office, besides me. Mike received all of Orettek's e-mails, mail, he made telephone calls on behalf of Orettek, he selected and talked to Orettek's engineers, he did Orettek's banking and he operated Orettek's share trading accounts. If anything needed to be done for Orettek, it was up to Mike to do it.

*Nigel Frank*

words to the effect, "If Bank West is prepared to take options at \$1.20, think of the research they have done and think of where they think the Rand share price is going," though I do not know to whom he said this as he said it over the phone.

During 2001 Rand and Tribune were also in the process of negotiating with Goldfields in relation to the EKJV mining agreement.

Billis was very concerned about what Goldfields were doing and he would talk, on almost a daily basis, about how he was not going to let Goldfields 'screw him on the deal'. Billis often joked about taking a Colt .45 gun into a joint venture meeting with Goldfields. He said words to the effect, "I will take my .45, put it on the table and say to Goldfields, 'Okay, you want to shoot me. There's the gun. You shoot me. It's the only way you're going to get the deal that you want. Kill me, be done with it and then you can do what you like.'"

I think that profit may have been another reason that Anton and Mike wanted to push up the price of Rand shares. As I have said above, Mike had told people, such as Niemeyer, to buy Rand shares and that if they bought Rand shares they would make a profit. I also recall Mike saying on several occasions words to the effect, "Oretek will make a profit on its trading in Rand

*Nigel Frank*

I kept my diary on my desk in my office, in the Oretok office.

## DIARY NOTES & EXTRACTS

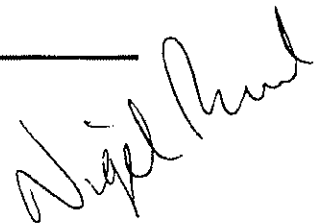
Document Numbers P00182016 to  
P00182023

I produce copies of notes titled "Diary Extract" dated from 25 September 2001 to 28 September 2001 ("the diary extracts").

To the best of my recollection, I gave my original diary extracts to McLernon on or about 26 September 2001.

The diary extracts contain substantially the same information as the handwritten diary entries on the corresponding dates of the torn diary pages and the Blue Collins Diary. In some cases the diary extract may be more expansive than the diary entries for the corresponding day. I did this where I felt that I needed to explain what had happened in more detail.

I prepared the diary extracts for the purposes of giving a copy of my diary notes to ASIC. The diary extracts were made on the same day as the corresponding diary entries in the torn diary pages and the Blue Collins Diary, but later in the afternoon.



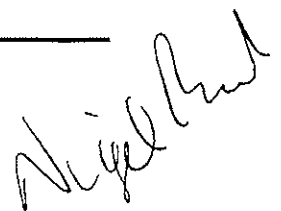
The diary extract on document numbers P00182021 and P00182022 says, "Anton jokes that he should refuse to sign with Goldfields and panic the market. Then he could buy up both stocks (RND & TBR) and privatise them. I said he needed 90% to privatise. He says 'well I've already got 70% so I only need 20% more'". I understood Anton to mean that he already controlled 70% of Rand and Tribune and that if he crashed the share price he could buy up another 20% cheaply. With 90% of the shareholding of Rand and Tribune he could delist the companies and compulsorily acquire the other 10%.

#### **DEPOSIT BOOK LIST**

#### **Document Numbers P00182014 and P00182015**

I produce a copy of a 2-page document with handwritten notes in the form of a list.

The handwritten notes on this document were all made by me, with the exception of the notations on the top right hand side of document number P00182014 which say "Password whatnot" and "all ex deposit book", and the three signatures beside the date "26/09/2001". I do not know who made these particular handwritten annotations.

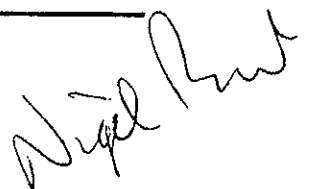


cheques that he would bank in the Orettek account.

The only person that I know of that Mike pressed for money for Orettek shares was Colin Pace. I recall that Mike went into the Rand Tribune office, then returned later with Anton. Mike and Anton were chuckling and Mike said to me words to the effect, "Colin Pace has bought \$50,000 worth of Orettek shares at 20 cents a share. Not many people ever get money out of Colin Pace. He normally gets money out of other people."

I do not know who else Mike gathered money from for the sale of Orettek shares.

I was concerned about the sale of the Orettek shares as I thought that in order to sell that amount of Orettek shares Orettek should first have issued a prospectus under the Corporations Law. I said on multiple occasions to Anton, who I considered to be the person who had authorised the sales, words to the effect, "You should do a prospectus." Anton said to me words to the effect, "No. The shares belong to Trans Global. Trans Global is simply reselling shares so a prospectus does not come into it." I said to Anton words to the effect, "Anton, I don't know whether what you say has any legal validity, but what you are doing certainly breaches the spirit of the law and I think it



him the authority to sign the cheques but he was the signatory on Orettek's bank account.

Dr Jay was usually given documents to sign on behalf of Orettek by Anton or Mike. However, as he was based in Melbourne, he was only ever at the Orettek offices occasionally.

Mike did not have the authority to sign cheques on the Orettek account, but he collected money on behalf of Orettek and made deposits into Orettek's bank account. Mike usually made the arrangements for O'Kane to sign cheques on the Orettek account. I recall seeing Mike say to O'Kane on a couple of occasions words to the effect, "I need you to sign a cheque for Orettek's share purchases."

To my knowledge, neither Rand nor Tribune nor Orettek ever held directors' meetings.

It is possible that directors' meetings were held unbeknownst to me, but I think it is very unlikely that there was a formal directors' meeting or 12 such meetings a year, in respect of Rand ~~and Tribune~~, collecting people from three different countries, and that I would have no idea of it whatsoever.

Ilkiw was based in New Zealand, Bozic and Ivo were based in Croatia, Demis and Dr Jay were

*Nigel Burch*

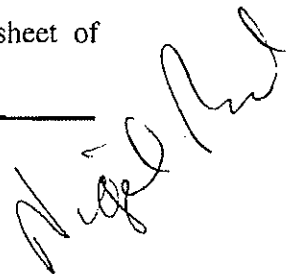
For all of those reasons, Anton appeared to me to have absolute authority and absolute control.

As far as I was concerned, Anton was the 'boss' of Rand and Tribune. He was the owner of Rand and Tribune. I always talked to Anton on the basis that Rand and Tribune were his companies.

O'Kane said to me that he knew Anton from years previous when they were both prospectors. O'Kane said to me words to the effect, "Anton controls the shareholdings of Rand and Tribune and can just get rid of me at the drop of a hat," by which I understood him to mean that Anton could call a shareholders meeting and dismiss O'Kane if he wanted to.

From my observations during my time at the Rand Tribune office, O'Kane did what was asked of him by Anton. For instance, as I have said above, when I prepared the Oretk East Asia agreement, Anton gave it to O'Kane and O'Kane signed it.

On at least one occasion during the time that I was at the Oretk office I saw Anton sign O'Kane's name on a document. To the best of my recollection, it was an ASX announcement. I also recall that in or around May 2001 I saw Anton sign O'Kane's signature on a sheet of



paper a number of times as if he was practising how to sign his name.

Ilkiw, who I understand is Anton's half-brother, also told me on a number of occasions that he had no control over Anton. I recall talking to Ilkiw about his directorship of Rand and Tribune and that Ilkiw said to me words to the effect, "I have no control over Anton and I have given up trying to influence him. I just do what Anton tells me to do."

Demis, the director of Rand and Tribune based in Melbourne, only came to Perth about three or four times over the two-year period that I visited the Rand Tribune office.

In regards to the director of Rand called Bozic, I recall that there was an incident when Mike and I were in the Rand Tribune office looking at the top 20 list of shareholders in Tribune, and he pointed at the very similar name "Franjo Boznic" and said "That's me." I understood him to mean that either the shares were registered in the false name 'Franjo Boznic', or to a real person by the name of 'Franjo Boznic' who was not the beneficial owner, and that Mike was in fact the beneficial owner himself. I thought at the time that "Boznic" might be a mis-spelling of "Bozic". I knew that there was a director by the name of 'Franjo Bozic' but I did not believe that that person actually existed. This is

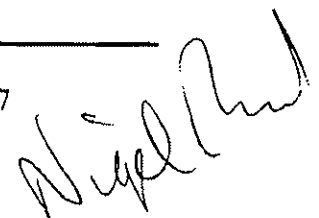


because during my time at the Rand Tribune office and the Oretex office I never saw him and I never heard any of O'Kane, Anton, O'Rourke or Ilkiw refer to Bozic.

In addition, in or about July 2001 I asked O'Kane words to the effect, "Have you ever met Franjo Bozic" and O'Kane said to me words to the effect, "I have never met him and I have only once spoken to a person who claimed to be him on the phone."

In addition to 'Franjo Bozic', I recall that Mike, when we were going through the list of Top 20 shareholders of Rand, pointed to the name 'Alexi Romanov' and said, "That's Anton." I said to him words to the effect, "Wow, he's chosen a good name. That's also the name of a tsar of Russia." Mike also pointed to several other names in the Top 20 list of shareholders of Rand and said "That's Anton". To the best of my recollection, he said this in respect of Trans Global, Tribune, Sierra Gold Pty Ltd, STT Pty Ltd and Raypoint Pty Ltd. I think he also said this in respect of Lake Grace Exploration Pty Ltd.

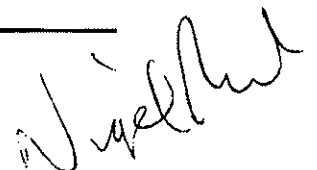
When Mike said "That's Anton," I understood him to mean that Anton, in addition to controlling the companies in question, also had a substantial beneficial shareholding in the company.



In respect of Trans Global, I recall that I spoke to Anton about Trans Global's shareholding in Rand. I said to Anton words to the effect, "Look, if you add up the Trans Global shareholdings you get more than 20 per cent and you haven't made a bid," by which I meant a takeover bid under the relevant provisions of the Corporations Law. Anton said to me words to the effect, "Don't worry about it." Anton said to me words to the effect, "Trans Global is like ANZ Nominees. It is a lot of people, not just one block of shares. It is a trust." I then said to him words to the effect, "You should get legal advice. It's not a trust. It's a proprietary limited company. Just putting 'trust' in the name doesn't make it one." This conversation took place on 24 September 2001. I know this because I was checking the Rand Annual Report for 2001 prior to printing at the time and I made a notation on the Annual Report on the day that it took place.

**Document Number P00182476**

I produce a copy of a page from Rand's Annual Report for 2001 which contains handwritten annotations including a date "24/9" and the words "Anton say 'TGT is like ANZ No ... & holder ... are on 2 account." The reference to 'TGT' is a reference to Trans Global. This handwriting is mine. This is a copy of the page of the Annual Report that I referred to above. It records the date and part of the conversation that I had with Anton.



The afore going is good stuff but what we really need is proof of a relationship between Billis and Ivo Sulento.

What about a long series of emails, wouldn't that be good? Watch this space tomorrow. I will let you know what I can find.