

Pacific Current Group Limited (ASX:PAC) - Lawyers to Investigate Class Action for Aggrieved Shareholders

Corporate Accountability Is Urgently Required At PAC

After watching the share price drop a whopping 70% - in less than two years - following Pacific Current Group Limited's disastrous US foray, 'constructivist' investor Advocate Strategic Investments (ASI) has formally commissioned lawyers to investigate a shareholder class action against the company.

The investigation will focus on the November 2014 merger of Treasury Group Limited (as the company was then known) with US-based Northern Lights, the due diligence conducted at the time by the Treasury Group board on the merger and the valuation of the assets being vended into it by Northern Lights, and the guidance given to the Australian stock market at the time.

"Pacific Current Group booked more than \$77 million in impairments in the 2016 financial year, and current liabilities now exceed current assets," says ASI's Michael de Tocqueville. "How this could happen to a solid, highly regarded S&P/ASX 300 company, which was hitherto sound and debt-free, is beyond our comprehension.

"Between November 2014 and January 2015, Treasury Group/Pacific Current shareholders saw \$288 million of their shareholders' funds, including more than \$60 million in cash, transferred into the control of a highly questionable group, which has resulted in \$188 million of those funds being wiped out so far. Aggrieved shareholders must be compensated for the loss of their equity," says de Tocqueville.

About ASI ASI is a Melbourne-based independent investment management firm that provides institutional and sophisticated investor clients with customised alternative investment strategies. The firm's senior investment team uses its unique, company-specific, value-oriented investment approach, with a strong focus on equity special events and credit opportunities. ASI's approach is focused on the preservation of capital through extensive and rigorous investment analysis on a position and portfolio basis. ASI is the manager and adviser to the Advocate Partners Constructivist investment strategy. Shareholder constructivism is about advocating an owner's perspective in relation to how a public company is governed and operated, in order to build the conditions necessary for its equity value to appreciate.

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