


CR 2026/4 - Aurumin Limited - scrip for scrip roll-over for option holders

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Class Ruling

Aurumin Limited – scrip for scrip roll-over for option holders

📌 Relying on this Ruling

This publication is a public ruling for the purposes of the *Taxation Administration Act 1953*.

If this Ruling applies to you, and you correctly rely on it, we will apply the law to you in the way set out in this Ruling. That is, you will not pay any more tax or penalties or interest in respect of the matters covered by this Ruling.

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What this Ruling is about

1. This Ruling sets out the income tax consequences for the holders of call options in Aurumin Limited (Aurumin) who were granted new call options in Brightstar Resources Limited (Brightstar) in exchange for the cancellation of their call options in Aurumin on 2 December 2025 (Implementation Date).
2. Details of this scheme are set out in paragraphs 26 to 51 of this Ruling.
3. All legislative references in this Ruling are to the *Income Tax Assessment Act 1997*, unless otherwise indicated.

Who this Ruling applies to

4. This Ruling applies to you if you:
 - were registered on the Aurumin option register as the holder of a call option in Aurumin at 4:00 pm (AWST) on 25 November 2025 (Record Date), and
 - held your Aurumin options on capital account – that is, you did not hold your Aurumin call options as a ‘revenue asset’ (as defined in section 977-50) or as trading stock (as defined in subsection 995-1(1)).
5. This Ruling does not apply to anyone who is subject to the taxation of financial arrangements rules in Division 230 in relation to the scheme outlined in paragraphs 26 to 51 of this Ruling.

Note: Division 230 will not apply to individuals unless they have made an election for it to apply.

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When this Ruling applies

6. This Ruling applies from 1 July 2025 to 30 June 2026.

Ruling**CGT event C2 happened on the cancellation of your call options in Aurumin Limited**

7. CGT event C2 happened when your call options in Aurumin were cancelled (section 104-25).

8. The time of CGT event C2 was on the Implementation Date of 2 December 2025 (paragraph 104-25(2)(b)).

9. The capital proceeds from CGT event C2 happening to each Aurumin call option are the market value of 0.25 of a call option in Brightstar you received in respect of the cancellation (subsection 116-20(1)). The market value of the Brightstar call options is worked out as at the time of CGT event C2.

10. You made a capital gain from CGT event C2 happening if the capital proceeds from the cancellation of your Aurumin call options exceeded their cost base (subsection 104-25(3)).

11. You made a capital loss from CGT event C2 happening if the capital proceeds from the cancellation of your Aurumin call options are less than their reduced cost base (subsection 104-25(3)).

Foreign resident option holders of Aurumin Limited

12. You must disregard a capital gain or capital loss you made from CGT event C2 happening when your Aurumin call options were cancelled (section 855-10) if:

- you were a foreign resident (that is, you were not a 'resident of Australia' as defined in subsection 6(1) of the *Income Tax Assessment Act 1936*), or the trustee of a foreign trust for CGT purposes, just before the Implementation Date, and
- your Aurumin call options were not 'taxable Australian property' (as defined in section 855-15).

13. Your Aurumin call options were taxable Australian property if they were:

- used by you at any time in carrying on a business through a permanent establishment in Australia (table item 3 of section 855-15)
- an option or right to acquire a CGT asset covered by table item 3 of section 855-15 (table item 4 of section 855-15), or
- a CGT asset that is covered by subsection 104-165(3) (choosing to disregard a capital gain or capital loss on ceasing to be an Australian resident) (table item 5 of section 855-15).

Availability of scrip for scrip roll-over

14. Subject to the qualification in paragraphs 15 and 16 of this Ruling, if you made a capital gain from the cancellation of your Aurumin call options and were granted Brightstar

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call options, you may choose to obtain scrip for scrip roll-over for the capital gain (sections 124-780 and 124-785).

15. Scrip for scrip roll-over cannot be chosen if any capital gain you might make from the replacement Brightstar call options would be disregarded, except because of a roll-over (paragraph 124-795(2)(a)).

16. If you were a foreign resident just before the Implementation Date and you make a capital gain that is not disregarded (see paragraph 12 of this Ruling), you cannot choose scrip for scrip roll-over unless your Brightstar call options were taxable Australian property (as defined in section 855-15) just after the Implementation Date (subsection 124-795(1)).

Consequences if you choose scrip for scrip roll-over

Capital gain is disregarded

17. If you choose scrip for scrip roll-over, your capital gain is disregarded (subsection 124-785(1)).

Acquisition date of your call options in Brightstar Resources Limited for discount capital gain purposes

18. If you choose scrip for scrip roll-over, the Brightstar call options you acquired in exchange for your Aurumin call options are taken to have been acquired (for the purposes of determining your eligibility to make a discount capital gain) on the date you acquired, for CGT purposes, the corresponding Aurumin call options (table item 2 of subsection 115-30(1)).

Cost base and reduced cost base of your call option in Brightstar Resources Limited

19. If you choose scrip for scrip roll-over, the first element of the cost base and reduced cost base of a replacement Brightstar call option that you received is worked out by reasonably attributing to it the cost base and reduced cost base (respectively) of the Aurumin call options for which it was exchanged and for which the roll-over was obtained (subsections 124-785(2) and (4)).

20. You can calculate the first element of the cost base and reduced cost of each replacement Brightstar call option by dividing the total cost bases of your Aurumin call options by the number of replacement Brightstar call options you received.

Consequences if you do not choose, or cannot choose, scrip for scrip roll-over

Capital gain is not disregarded

21. If you do not choose, or cannot choose, scrip for scrip roll-over, you must take into account any capital gain or capital loss from CGT event C2 happening on the cancellation of your Aurumin call options in working out your net capital gain or net capital loss for the income year in which CGT event C2 happened (sections 102-5 and 102-10).

22. If you make a capital gain where scrip for scrip roll-over is not chosen, or cannot be chosen, you can treat the capital gain as a discount capital gain provided that the conditions of Subdivision 115-A are met. In particular, you must have acquired your Aurumin call options at least 12 months before the Implementation Date on which CGT

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event C2 happened (excluding the date on which you acquired the Aurumin call options and the Implementation Date).

Cost base and reduced cost base of options in Brightstar Resources Limited

23. If you do not choose, or cannot choose, scrip for scrip roll-over, the first element of the cost base and reduced cost base of a replacement Brightstar call option that you received is equal to the market value of the Aurumin call options you gave in respect of acquiring the Brightstar call option (subsections 110-25(2) and 110-55(2)).

24. The market value of the Aurumin call options you gave is to be worked out as at the time when you acquired the Brightstar call options.

Acquisition date of options in Brightstar Resources Limited

25. If you do not choose, or cannot choose, scrip for scrip roll-over, the acquisition date of the Brightstar call options that you received is the date on which those call options were granted to you, being the Implementation Date (table item 2 of section 109-10).

Scheme

26. The following description of the scheme is based on information provided by the applicant. If the scheme is not carried out as described, this Ruling cannot be relied upon.

Aurumin Limited

27. Aurumin is a public company that was incorporated in Australia on 28 February 2020.

28. Aurumin was the head company of an income tax consolidated group under Part 3-90.

29. Aurumin was listed on the Australian Securities Exchange (ASX) on 9 December 2020. The ordinary shares in Aurumin were traded under the ASX code 'AUN'.

30. The business of Aurumin consists of the exploration for gold and development of gold projects in Western Australia.

31. On the Implementation Date, Aurumin had 512,008,458 ordinary shares and 112,379,716 call options (to acquire ordinary shares in Aurumin) on issue.

32. Just before the Scheme Implementation Deed (SID) was entered into, Aurumin had more than 300 shareholders.

Brightstar Resources Limited

33. Brightstar is a public company incorporated in Australia.

34. Brightstar was listed on the ASX on 5 December 2003. The ordinary shares in Brightstar are traded under the ASX code 'BTR'.

35. The business of Brightstar consists of the exploration for, and mining of, gold in Australia.

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36. Just before the SID was entered into, Brightstar had more than 300 shareholders.

Cancellation of call options in Aurumin Limited in exchange for the grant of new call options in Brightstar Resources Limited

37. On 18 July 2025, Aurumin and Brightstar entered into the SID. Under the SID, Aurumin agreed to propose that Aurumin and its option holders enter into a scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Corporations Act), pursuant to which the call options in Aurumin would be cancelled in exchange for Brightstar granting new call options to acquire ordinary shares in Brightstar (Option Scheme).

38. Under the SID, Aurumin also agreed to propose a separate scheme of arrangement under Part 5.1 of the Corporations Act, pursuant to which Brightstar would acquire all the ordinary shares in Aurumin (Share Scheme). The Share Scheme was implemented on the Implementation Date and is the subject of Class Ruling CR 2026/3 *Aurumin Limited – scrip for scrip roll-over for shareholders*.

39. On 14 November 2025, a resolution in favour of the Option Scheme was passed by the option holders of Aurumin as required by subparagraph 411(4)(a)(ii) of the Corporations Act.

40. The Option Scheme was approved by the Supreme Court of Western Australia under paragraph 411(4)(b) of the Corporations Act on 19 November 2025.

41. Aurumin cancelled all call options in Aurumin on the Implementation Date (2 December 2025).

42. Under the Option Scheme, Brightstar granted the option holders of Aurumin 1 new call option in Brightstar on the Implementation Date, in exchange for every 4 Aurumin call options they held on the Record Date.

43. A call option in Brightstar entitles the option holder (upon paying the option exercise price to Brightstar on or before the expiry date of the option) to be issued with 1 new ordinary share in Brightstar.

Other matters

44. The shares in Aurumin were suspended from trading on the ASX from the close of trading on 21 November 2025.

45. Aurumin was removed from the official list of the ASX on 3 December 2025.

46. On the Implementation Date, the sum of the market values of Aurumin's assets that were 'taxable Australian real property' (as defined in section 855-20) exceeded the sum of the market values of Aurumin's assets that were not taxable Australian real property.

47. However, at no time during the 24 months before the Implementation Date did any foreign resident (with its associates, as defined in section 318 of the *Income Tax Assessment Act 1936*) own 10% or more of the shares in Aurumin.

48. Paragraph 124-780(3)(f) is satisfied in respect of the cancellation of Aurumin call options.

49. An Aurumin shareholder, Aurumin and Brightstar were not all members of the same 'linked group' (within the meaning of that term in section 170-260) just before the SID was entered into.

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50. Brightstar did not make a choice under subsection 124-795(4) that Aurumin option holders could not obtain the roll-over in Subdivision 124-M for CGT event C2 happening in relation to the exchange of Aurumin call options.

51. Subsections 124-810(3) and (5) did not apply to Aurumin or Brightstar just before they entered into the SID.

Commissioner of Taxation

11 February 2026

Status: **not legally binding**

References

Related rulings and determinations:

TR 2006/10; TD 2002/4; TD 2002/10

Legislative references:

- ITAA 1936 6(1)
 - ITAA 1936 318
 - ITAA 1997 102-5
 - ITAA 1997 102-10
 - ITAA 1997 104-25
 - ITAA 1997 104-25(2)(b)
 - ITAA 1997 104-25(3)
 - ITAA 1997 104-165(3)
 - ITAA 1997 109-10
 - ITAA 1997 110-25(2)
 - ITAA 1997 110-55(2)
 - ITAA 1997 Subdiv 115-A
 - ITAA 1997 115-30(1)
 - ITAA 1997 116-20(1)
 - ITAA 1997 Subdiv 124-M
 - ITAA 1997 124-780
 - ITAA 1997 124-780(3)(f)
 - ITAA 1997 124-785
 - ITAA 1997 124-785(1)
 - ITAA 1997 124-785(2)
 - ITAA 1997 124-785(4)
 - ITAA 1997 124-795(1)
 - ITAA 1997 124-795(2)(a)
 - ITAA 1997 124-795(4)
 - ITAA 1997 124-810(3)
 - ITAA 1997 124-810(5)
 - ITAA 1997 170-260
 - ITAA 1997 Div 230
 - ITAA 1997 Pt 3-90
 - ITAA 1997 855-10
 - ITAA 1997 855-15
 - ITAA 1997 855-20
 - ITAA 1997 977-50
 - ITAA 1997 995-1(1)
 - Corporations Act 2001 Part 5.1
 - Corporations Act 2001 411(4)(a)(ii)
 - Corporations Act 2001 411(4)(b)
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ATO references

NO: 1-19Q3DEBS
 ISSN: 2205-5517
 BSL: PG
 ATOLaw topic: Capital gains tax ~~ Rollovers ~~ Scrip for scrip
 Capital gains tax ~~ CGT events ~~ A1 - disposal of a CGT asset
 Capital gains tax ~~ Cost base / reduced cost base
 Capital gains tax ~~ Discount capital gains

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