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## The *InterOil* Saga Continues: Yukon Court of Appeal Asked to Rule on “Fair Value”

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ExxonMobil has filed a notice of appeal to the Yukon Court of Appeal, appealing the lower court’s decision in *Carlock v ExxonMobil Canada Holdings ULC*. In the decision under appeal, the Yukon Supreme Court sided with dissenting shareholders in determining that the fair value of an InterOil share at the time of its acquisition by ExxonMobil was US\$71.46, representing a premium of over 40% to the actual negotiated transaction value. Although the transaction was itself the result of an unsolicited topping bid made by ExxonMobil, the Court determined, among other things, that the transaction price was “established in a flawed corporate governance process” and, accordingly, “the transaction price, borne of a flawed process, cannot be resurrected as the ‘fair value’ as defined by the experts.”

We will be watching the progress of the appeal and will report on the decision once it is released. Read our recent bulletin on the [ExxonMobil Canada Holdings](#) decision and our prior bulletins on the decisions of the [Yukon Court of Appeal](#) and the [Yukon Supreme Court](#) regarding InterOil’s plan of arrangement.

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