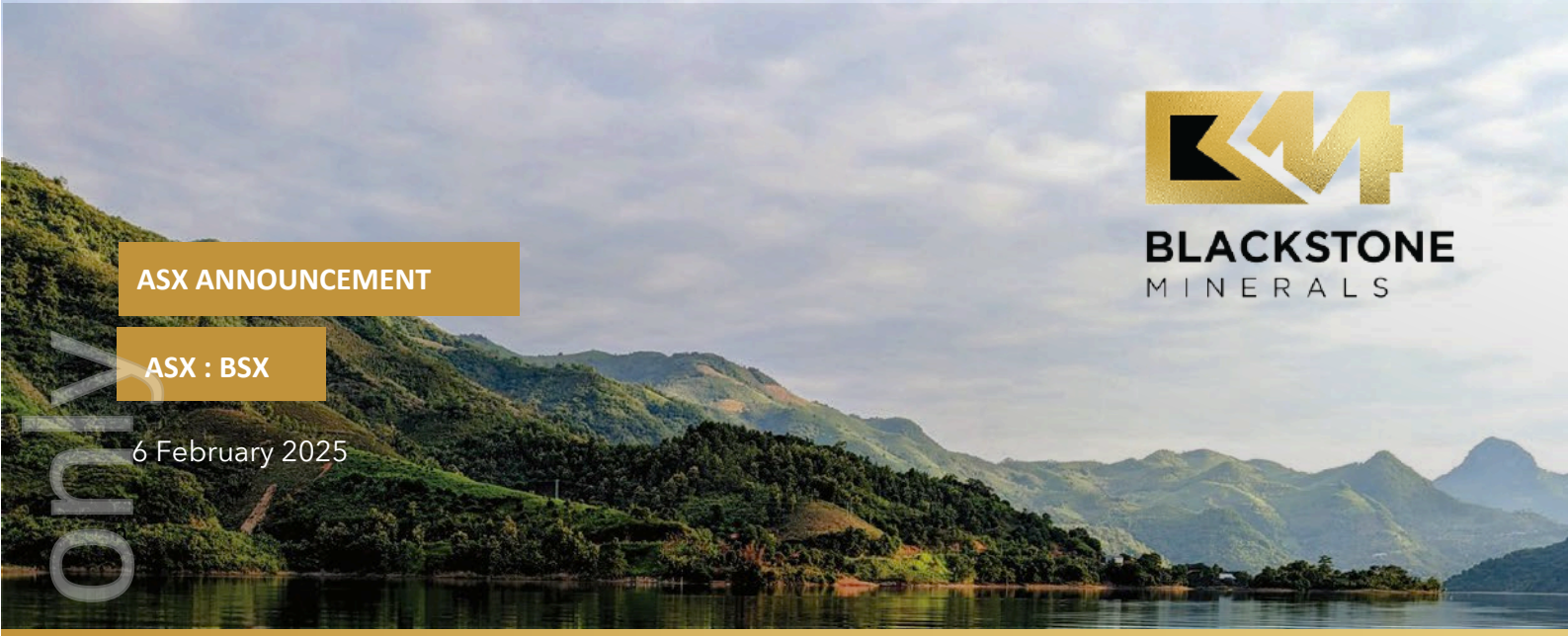


ASX ANNOUNCEMENT

ASX : BSX

6 February 2025

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# Blackstone Merger to Acquire World Class Copper Gold Project

Blackstone Minerals Limited ("Blackstone" or the "Company") is pleased to announce the Company has entered into a binding scheme implementation deed ("SID") with IDM International Limited ("IDM") to facilitate a merger of equals, whereby the Company will acquire 100% of IDM in an all-scrip transaction to acquire the world class Mankayan Copper-Gold Project in the Philippines.

## Highlights

- Mankayan stands out as one of the largest high-grade undeveloped copper-gold porphyry systems globally, boasting historic drill intersections of:
  - 911m @ 1.00% CuEq[1] (0.51% Cu & 0.63g/t Au) from 156m [MMD-11]
    - **Incl. 253m @ 1.43% CuEq (0.73% Cu & 0.89g/t Au)**
  - 543m @ 1.08% CuEq (0.46% Cu & 0.79g/t Au) from 262m [THM-13]
    - **Incl. 277m @ 1.43% CuEq (0.50% Cu & 1.19g/t Au)**
  - 754m @ 1.03% CuEq (0.49% Cu & 0.69g/t Au) from 254m [THM-22]
    - **Incl. 430m @ 1.21% CuEq (0.58% Cu & 0.80g/t Au)**
- The project is situated within a well-known world class mineral district, hosting large porphyry systems with particularly high gold grades
- The Philippines offers a pro-mining environment with a strong history of successful operations (B2Gold, Oceana Gold), and the IDM team holds the social license to operate in the region
- Mankayan is located 2.5km from the active Lepanto Gold Mine and the Far Southeast Porphyry
- Mankayan is a large mineralised system with a high-grade core, the orebody remains open to the north, south and at depth providing exceptional opportunities for resource growth
- Under the scheme of arrangement ("Scheme"), IDM shareholders will receive 7.4 Blackstone shares for every 1 IDM share

*[1] CuEq calculation assumes metal prices of US$2.80/lb Cu, US$1,800/oz Au and recoveries of 90% for Cu and 75% for Au as per the existing JORC 2012 Mineral Resource Estimate*



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- Directors of IDM unanimously recommend that all IDM shareholders vote in favour of the Scheme, in the absence of a Superior Proposal (as defined in the SID) and subject to an Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of IDM shareholders

**Blackstone Minerals' Managing Director, Scott Williamson, commented:**

*"This exciting merger of equals offers diversified exposure to critical energy transition and precious metals, centred on the world-class Mankayan Copper-Gold Porphyry Project, one of the largest high-grade undeveloped porphyry projects globally. Backed by Blackstone's mining expertise and a supportive environment in the Philippines, the merger offers near-term exploration upside, significant resource growth potential, and regional opportunities. With historic high-grade intercepts, Mankayan is ideally positioned to deliver long-term value to shareholders."*

**Blackstone Minerals** is pleased to announce the Company has entered into a binding scheme implementation deed ("SID") with IDM International Limited ("IDM") offering a compelling investment opportunity with diversified exposure to critical energy transition and precious metals. At the core of this transaction lies the world class Mankayan Copper-Gold Porphyry Project, situated in Northern Luzon in the Philippines, a region with a pro-mining environment and a long history of successful mining operations. The merged entity leverages Blackstone's extensive expertise, resources, and relationships in base metals mine development and the energy transition metals market, making this a strategically advantageous proposition with significant growth potential.

The opportunity sees Blackstone gain exposure to copper, a critical energy transition metal, while also offering substantial exposure to high-value precious metals, gold and silver during a period of record high prices. Blackstone's current nickel assets combined with the new acquisition aligns shareholders with global decarbonization trends, delivering excellent exposure to the high demand growth for critical metals. Additionally, the Mankayan Project offers investors a hedge against market volatility through significant exposure to precious metals, which remain strong stores of value. At the heart of this merger lies the Mankayan Copper-Gold Porphyry Project, located in a world-class mineral district. Mankayan is one of the largest high-grade undeveloped copper-gold porphyry projects globally.

The Mankayan Copper-Gold Project is underpinned by historic world-class drill intercepts including:

- 911m @ 1.00% CuEq[2] (0.51% Cu & 0.63g/t Au) from 156m [MMD-11]
  - **Incl. 253m @ 1.43% CuEq (0.73% Cu & 0.89g/t Au)**
- 543m @ 1.08% CuEq (0.46% Cu & 0.79g/t Au) from 262m [THM-13]
  - **Incl. 277m @ 1.43% CuEq (0.50% Cu & 1.19g/t Au)**
- 754m @ 1.03% CuEq (0.49% Cu & 0.69g/t Au) from 254m [THM-22]
  - **Incl. 430m @ 1.21% CuEq (0.58% Cu & 0.80g/t Au)**
- 1,119m @ 0.86% CuEq (0.42% Cu & 0.56g/t Au) from 230m [PFC-40]
  - **Incl. 352m @ 1.15% CuEq (0.53% Cu & 0.79g/t Au)**

*[2] CuEq calculation assumes metal prices of US$2.80/lb Cu, US$1,800/oz Au and recoveries of 90% for Cu and 75% for Au as per the existing JORC 2012 Mineral Resource Estimate*



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- 972m @ 0.89% CuEq (0.44% Cu & 0.58g/t Au) from 247m [PFC-44]
  - **Incl. 525m @ 1.09% CuEq (0.52% Cu & 0.73g/t Au)**
- 747m @ 0.94% CuEq (0.48% Cu & 0.59g/t Au) from 308m [PFC-43]
  - **Incl. 243m @ 1.06% CuEq (0.59% Cu & 0.60g/t Au)**

The success of the Mankayan Copper-Gold project is driven by Blackstone's extensive experience in base metals mine development, particularly in South East Asia. Blackstone's proven track record with the Ta Khoa Nickel Project provides valuable insights and synergies that can be directly applied to the Mankayan Project. Through cost-effective exploration techniques, advanced development strategies, and the ability to deploy equipment from Ta Khoa (such as geophysics, drilling, and metallurgical testing), Blackstone brings invaluable operational efficiency to Mankayan.

IDM has recently completed two diamond drill holes, each approximately 1,000 meters in length, as part of its ongoing efforts to carry out geotechnical, hydrological, and metallurgical testing. These drill holes were strategically designed to provide a representative cross-section of the orebody, successfully intersecting various mineralized zones, including the high-grade core. While assay results for both drill holes are still pending, the intersections will provide valuable data for refining resource models and advancing technical studies critical to future development plans.




**Figure 1 Philippines Mining Operations**





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## Philippines is Open for Business

Mankayan benefits from its location in the Philippines, a nation with a pro-mining regulatory environment and a long-standing history of successful mining operations (e.g., B2 Gold, Oceana Gold). Importantly, the IDM team has materially progressed its social license to operate in Mankayan, ensuring positive relationships with local stakeholders. The Philippines' openness to mining operations, combined with a skilled workforce and existing infrastructure, provides a strong foundation for the project's development.

## Mankayan Catalysts and Integration

The Mankayan Project offers notable near-term catalysts, such as pending assay results from drilling activities and the potential for strategic mergers and acquisitions in the region. This potential near-term upside promises to unlock additional shareholder value in the short term. Furthermore, the project supports long-term growth due to its alignment with global demand for energy transition metals, offering significant scalability potential. A key strength of this opportunity is the integration of the Mankayan Project with Blackstone's existing operations. Blackstone's experience with the Ta Khoa Nickel Project allows for strategic synergies, creating a seamless expansion opportunity across multiple asset types. The project also benefits from diversification across two critical energy transition metals—nickel and copper—while capturing the upside from precious metals gold and silver. This broad exposure provides a robust and well-rounded investment thesis.

## Key Mankayan Milestones Achieved

IDM has made remarkable progress in advancing the Mankayan Copper-Gold Project, a key development project in the Philippines. Among its notable achievements, IDM secured the renewal of a 25-year Mineral Production Sharing Agreement (MPSA) mining license in March 2022, laying the groundwork for the long-term development of the project. A significant milestone was reached in December 2024 with the signing of a Memorandum of Agreement (MoA) with the local Indigenous People (IP), marking IDM as the first mining company to secure IP consent in the region. This agreement represents a pivotal step in securing a social license to operate, essential for advancing the project responsibly. The Mankayan Project has also been recognised as a Priority Project by the Mines and Geosciences Bureau (MGB), reflecting its significance to the region's sustainable development. With a strong partnership between IDM and the local community, grounded in a shared commitment to sustainability, the project is positioned for long-term success.

## Long-term Development Optionality and Scalability

The Mankayan Copper-Gold Project presents a dual development opportunity, utilising both high-grade and bulk-tonnage mining methods. The high-grade core enables the use of selective mining techniques to extract the high grades of the resource, offering lower upfront capital costs and the flexibility to expand plant capacity after initial development. A larger production scenario could focus on extracting the global resource through bulk mining methods, which would require higher initial capital investment but benefit from lower operating costs. This dual development optionality combines financial efficiency with resource maximisation, delivering sustained growth and strong investment returns.

## Lepanto Lodes and Far Southeast (FSE) Porphyry

Lepanto Consolidated Mining Company, a fully Filipino-owned gold producer, operates 2.5km along strike of the Mankayan project and has a milling capacity of 900ktpa. In FY2023, the company produced 22.5koz of gold and 43koz of silver. It holds gold reserves of 1.7 Mt at 4.94 g/t Au (270 koz) and copper-gold reserves of 5.1 Mt at 2.42 g/t Au and 1.89% Cu, totalling 397koz of gold and 96.5kt of copper[3]. Furthermore, Lepanto owns the Far Southeast Porphyry (FSE) project (892Mt @ 0.5% Cu & 0.7g/t Au for 4.5Mt Cu & 19.8Moz Au).

[3] Lepanto Annual Report – LCMC-17A-2023 Annual Report



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Goldfields acquired a 40% stake in the FSE project in 2012 for US$230 million, drilled over 100,000 meters, and invested approximately US$500 million into the acquisition and exploration of the project. [4]

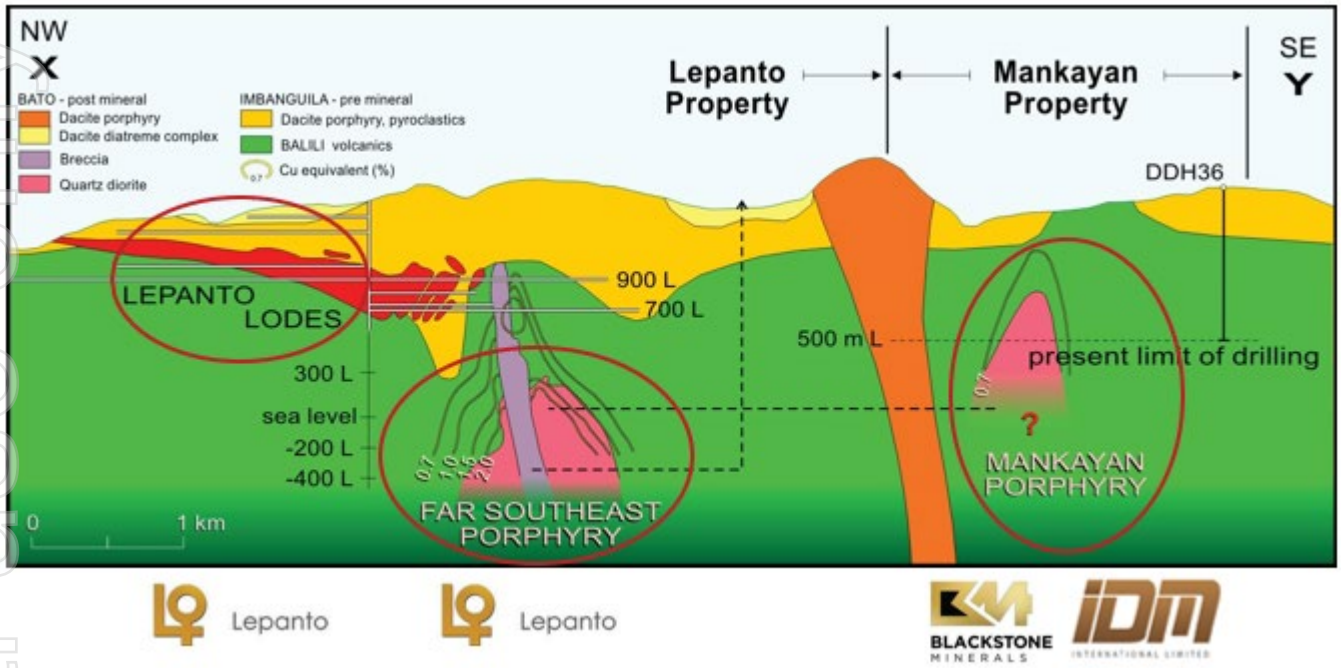



**Figure 2 Mankayan Mineral District Long Section**

The merger of equals between Blackstone Minerals and IDM International represents an unparalleled opportunity to develop a world-class copper-gold porphyry project, strategically aligned with growing global demand for energy transition and precious metals. With Blackstone's operational expertise, strong regional relationships, and the Philippines' pro-mining environment, the Mankayan Project is primed for success. The combination of near-term exploration milestones, significant resource potential, and global market alignment ensures that this opportunity delivers long-term growth and exceptional value for shareholders.

## Transaction Overview

Blackstone and IDM have entered into a scheme implementation deed ("SID") pursuant to which they have agreed to a merger to be conducted by way of a Scheme of Arrangement ("Scheme") under the Corporations Act 2001 (Cth), whereby Blackstone proposes to acquire 100% of the fully paid ordinary shares in IDM.

IDM is an unlisted Australian public company focused on the exploration and development of copper and gold. IDM acquired an indirect 64% interest in Crescent Mining & Development Corporation ("CMDC") on 6 September 2021. The remaining 36% interest is held by local Philippine shareholders. The particulars of the IDM corporate structure are further detailed below.

The Mankayan Project is held under a Mineral Production Sharing Agreement ("MPSA") 057-96-CAR, totalling 534ha, and was renewed to CMDC for a second 25-year term with effect from 12 November 2021.

There is deferred consideration payable to the previous project vendor (MMJC Pte Limited) upon satisfaction of the following milestones:

[4] https://www.goldfields.com/reports/annual-report-2018/mrr/australia-far-southeast-project.php





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- $2,000,000 on completion of a pre-feasibility study in relation to the Mankayan Project showing a net present value of the Mankayan Project 100% greater than capital expenditure; and
- $2,000,000 on completion of the earlier of a trade sale or a decision to mine in respect of the Mankayan project.

The sale agreement with MMJC Pte Limited provides that subject to the satisfaction of the milestones, the deferred consideration is to be paid via the issue of shares in IDM Mankayan Pty Ltd (a wholly owned subsidiary of IDM). Following implementation, Blackstone will seek to assign the terms of the deferred consideration to Blackstone, but until such time, the obligation will be recognised as a contingent liability for IDM.
The IDM group structure is set out below:

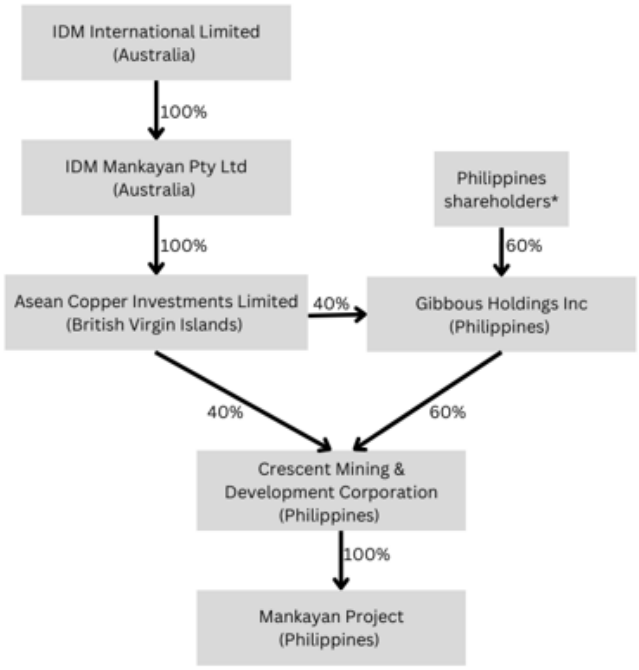



**Figure 3 IDM Corporate Structure**

* The corporate structure meets the requirement under the MPSA for 60% local ownership. IDM have option agreements in place to re-structure the local shareholdings if required in the future.

## Terms of the Proposed Merger

Pursuant to the terms of the SID, IDM shareholders will receive 7.4 Blackstone shares ("Consideration Shares") for every 1 IDM share they hold, resulting in a post-deal shareholder composition of Blackstone shareholders holding 47% of the merged entity and IDM shareholders holding 53%.

The Scheme is unanimously recommended by each of the directors of the IDM Board. Each member of the IDM Board intends to vote all IDM Shares they control in favour of the Scheme. These recommendations and voting intention statements are subject to no Superior Proposal (as defined in the SID) emerging and the Independent Expert concluding (and continuing to conclude) that the Scheme is in the best interests of IDM shareholders.

Implementation of the Scheme is subject to the satisfaction (or waiver, where applicable) of the following conditions precedent:

- Blackstone shareholders approving the issue of the Consideration Shares (and the issue of Blackstone options referred to below) for the purposes of ASX Listing Rule 7.1;
- Blackstone entering into an agreement with each IDM option holder, pursuant to which the holder agrees to the cancellation of their respective IDM options in exchange for the issue of options in BSX (on equivalent terms);



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- approval of the Scheme by a majority in number of IDM shareholders who vote at the Scheme Meeting and at least 75% of all votes cast at the Scheme Meeting;
- the Independent Expert issuing an Independent Expert's Report which concludes (and continues to conclude) that the Scheme is in the best interests of IDM shareholders;
- no Material Adverse Change or Prescribed Event, (each as defined in the SID) occurring in respect of either Blackstone or IDM;
- Court approval; and
- other conditions considered customary for a transaction of this nature, including all representations and warranties of the parties remaining true and correct as at the time they are expressed to be given.

The SID imposes specific conduct obligations on both IDM and Blackstone during the pre-implementation period, requiring each party to conduct their business in the ordinary course, comply with legal and contractual obligations and avoid actions that could materially impact the transaction.

The SID also includes deal protection and mutual exclusivity terms, including "no shop" and "no talk" restrictions and "matching right" obligations in the event of a competing proposal. The exclusivity arrangements are subject to customary exceptions that enable the Boards to comply with their respective fiduciary and/or statutory duties.

Full details of the terms and conditions of the Scheme is set out in the SID which is included as an appendix to this announcement.

**Board of Directors and Management Team**

Following completion of the merger, Blackstone will invite existing IDM Director, Geoff Gilmour, to join the Board. On completion, each of Dr Frank Bierlein, Ms Alison Gaines and Mr Dan Lougher will resign as Directors of Blackstone.

The Board of Blackstone on and from completion will comprise, Mr Hamish Halliday (as non-executive chairman), Mr Scott Williamson (as managing director) and Mr Geoff Gilmour (as a non-executive director).

**Funding**

Blackstone and IDM have entered into an unsecured loan agreement pursuant to which Blackstone has agreed to provide IDM with a working capital facility of up to $1 million to assist with costs incurred by IDM in connection with the proposed merger and working capital during the transaction implementation ("Facility").

The material terms of the Facility are as follows

- $1m loan facility. Drawdowns will be $100,000 per month for 10 months. First $100,000 drawn down immediately and paid to IDM within 2 business days of execution of the SID.
- The Facility is unsecured.
- The Facility bears interest at 'the Cash Rate Target' last published by the RBA plus 1% per annum, accruing monthly but only payable at maturity.
- Maturity is the earlier of: 1 month after the date on which the Scheme Implementation Deed is terminated and 4 years from the date of the Facility agreement.
- At maturity, the loan (plus accrued interest) can be repaid in cash or in IDM shares (at 20 cents per share) at IDM's election.
- The Facility includes standard representations, warranties, undertakings, and default events typical for a facility of this nature.



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In addition, Blackstone is currently considering a range of options for a potential capital raising to support transaction-related costs and ongoing project development activities. The structure, timing, and terms of any such capital raising remain under consideration and will be determined in due course, taking into account market conditions and the company's funding requirements. Further updates will be provided to the market as and when available.

**Advisors**

Steinepreis Paganin is acting as legal adviser to Blackstone in respect of the proposed merger.

Discovery Capital is acting as IDM's financial adviser and Johnson Winter Slattery is acting as IDM's legal adviser in relation to the proposed merger.

**Timetable and Next Steps**

A Scheme Booklet containing the relevant information on the Scheme, including the basis for the IDM Board's unanimous recommendation that IDM shareholders vote in favour of the merger, an Independent Expert Report and details of the Scheme, will be distributed to all IDM shareholders.

An indicative timetable for the proposed merger is provided below.

| Event | Date |
|---|---|
| Announcement of the Scheme | 6 February 2025 |
| IDM provides draft Scheme Booklet to ASIC | 19 March 2025 |
| First Court Hearing | 8 April 2025 |
| Scheme Booklet dispatched to IDM shareholders | 10 April 2025 |
| Scheme Meeting | 16 May 2025 |
| Second Court Hearing (Approval) | 19 May 2025 |
| Effective Date | 20 May 2025 |
| Implementation Date | 29 May 2025 |

*The dates in this Timetable are indicative only and are subject to ASX's approval of the Timetable in accordance with Appendix 7A of the ASX Listing Rules and the availability of the Court.*

For more information, please contact

**Scott Williamson**
Managing Director
+61 8 9425 5217
scott@blackstoneminerals.com.au

Investors are also encouraged to join and engage through the Blackstone Minerals Investor Hub, post questions and feedback through the Q&A function accompanying each piece of content, and engage directly with the Blackstone team.

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**How to join the Blackstone Minerals InvestorHub**

1. Head to our Investor Hub or scan the QR code with your smart device
2. Follow the prompts to sign up for an Investor Hub Account
3. Complete your account profile and link your shareholdings if you are a current shareholder.

## About Blackstone

Blackstone Minerals Ltd (ASX: BSX) is focused on building an integrated battery metals processing business in Vietnam that produces downstream products for Asia's growing lithium-ion battery industry. The existing business has a modern nickel mine built to Australian standards, which successfully operated as a mechanised underground nickel mine from 2013 to 2016. This will be complemented by a larger concentrator, refinery and precursor facility to support integrated production in-country.

The Company is focused on a partnership model and is collaborating with groups who are committed to sustainable mining, minimising the carbon footprint and implementing a vertically integrated supply chain. The Company's development strategy is underpinned by the ability to secure nickel concentrate and Ta Khoa is a nickel sulphide district with several exploration targets yet to be tested.

## About IDM International

IDM International is an Australian headquartered unlisted public Company with a 64% ownership interest in the Mankayan copper-gold project in the Philippines.

The Mankayan Project is one of the largest undeveloped copper-gold porphyry deposits globally, boasting a 25-year mining license (MPSA), which was renewed on March 4 2022. Situated in Northern Luzon, it is strategically located near the heart of the Mankayan mineral district, renowned for hosting significant copper-gold deposits and prospects.

Website: https://www.idminternational.com.au

# Disclaimers

**Not an Offer**

This announcement is for information purposes only. The announcement does not comprise a prospectus, product disclosure statement or other offering document under Australian law (and will not be lodged with the Australian Securities and Investments Commission) or any other law. The Announcement also does not constitute or form part of any invitation, offer for sale or subscription or any solicitation for any offer to buy or subscribe for any securities nor shall they or any part of them form the basis of or be relied upon in connection therewith or act as any inducement to enter into any contract or commitment with respect to securities. In particular, the announcement does not constitute an offer to sell or a solicitation to buy, securities in the United States of America.

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**Not Investment Advice**

This announcement is not investment or financial product advice (nor tax, accounting or legal advice) and are not intended to be used for the basis of making an investment decision. Recipients should obtain their own advice before making any investment decision.

**Forward Looking Information**

This document contains forward looking statements concerning the Company. Forward-looking statements are not statements of historical fact, and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on the Company's beliefs, opinions and estimates of the Company as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments. Although management believes that the assumptions made by the Company and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of commodities, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's publicly filed documents. Readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws. No representation, warranty or undertaking, express or implied, is given or made by the Company that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

## Competent Person Statement

The information in this report that relates to Exploration Results and Mineral Resources at the Mankayan project in the Philippines is based on information compiled by Mark Berry, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mark is employed by Derisk Geomining Consultants Pty Ltd, is independent of Blackstone Resources Limited and IDM International Limited, and has no conflict of interest in accepting Competent Person responsibility for the relevant content in this report. He has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mark consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.



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# Appendix 1: Historical Drill Hole Intercepts

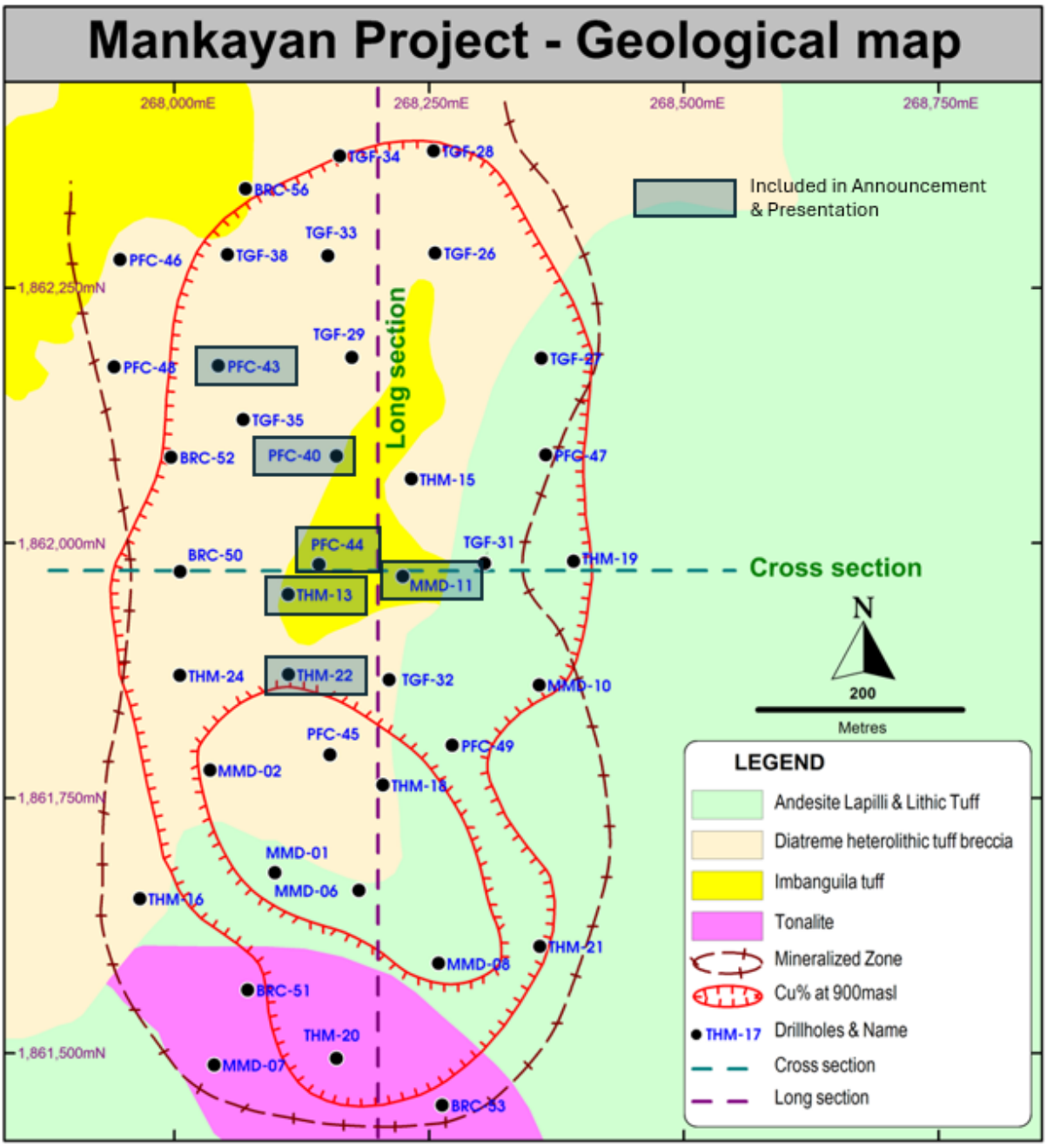
| BHID | East | North | RL | Azimuth | Plunge | EOH (m) | From (m) | To (m) | Interval (m) | Cu (%) | Au (g/t) | CuEq (%) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BRC-50 | 268006 | 1861973 | 1502 | 0 | -90 | 1,131 | 342 | 1,116 | 774 | 0.34 | 0.30 | 0.57 |
| BRC-51 | 268072 | 1861563 | 1593 | 0 | -90 | 1,123 | 451 | 970 | 519 | 0.34 | 0.36 | 0.62 |
| BRC-52 | 267997 | 1862085 | 1500 | 0 | -90 | 1,329 | 393 | 1,311 | 918 | 0.39 | 0.33 | 0.65 |
| BRC-53 | 268263 | 1861450 | 1594 | 0 | -90 | 1,077 | 690 | 1,065 | 375 | 0.34 | 0.27 | 0.55 |
| BRC-56 | 268070 | 1862348 | 1533 | 0 | -90 | 1,100 | 570 | 1,100 | 530 | 0.43 | 0.49 | 0.81 |
| MMD-01 | 268098.9 | 1861678 | 1546.27 | 0 | -90 | 682 | 146 | 682 | 536 | 0.26 | 0.52 | 0.67 |
| MMD-02 | 268035.1 | 1861778 | 1520.03 | 0 | -90 | 868 | 170 | 868 | 698 | 0.30 | 0.10 | 0.38 |
| MMD-06 | 268181.4 | 1861661 | 1553.95 | 0 | -90 | 614 | - | 554 | 554 | 0.27 | 0.50 | 0.66 |
| MMD-09 | 268196.2 | 1861589 | 1561.77 | 0 | -90 | 757 | 112 | 757 | 645 | 0.31 | 0.28 | 0.53 |
| MMD-10 | 268358.2 | 1861862 | 1625.02 | 0 | -90 | 995 | 466 | 995 | 456 | 0.30 | 0.50 | 0.69 |
| MMD-11 | 268224.3 | 1861968 | 1568.66 | 0 | -90 | 1,068 | 156 | 1,068 | 911 | 0.51 | 0.63 | 1.00 |
| Incl. | | | | | | | 815 | 1,068 | 253 | 0.73 | 0.89 | 1.43 |
| PFC-40 | 268159.4 | 1862086 | 1515.37 | 0 | -90 | 1,349 | 230 | 1,349 | 1,119 | 0.42 | 0.56 | 0.86 |
| Incl. | | | | | | | 883 | 1,235 | 352 | 0.53 | 0.79 | 1.15 |
| PFC-43 | 268043.4 | 1862175 | 1490.23 | 0 | -90 | 1,080 | 308 | 1,055 | 747 | 0.49 | 0.59 | 0.95 |
| Incl. | | | | | | | 791 | 1,034 | 243 | 0.59 | 0.60 | 1.06 |
| PFC-44 | 268142.2 | 1861980 | 1523.27 | 0 | -90 | 1,219 | 247 | 1,219 | 972 | 0.44 | 0.58 | 0.89 |
| Incl. | | | | | | | 565 | 1,090 | 525 | 0.52 | 0.73 | 1.09 |
| PFC-45 | 268153 | 1861793 | 1568.49 | 0 | -87 | 1,168 | 190 | 595 | 405 | 0.26 | 0.52 | 0.67 |
| PFC-46 | 267947 | 1862279 | 1521.95 | 0 | -90 | 1,278 | 876 | 1,152 | 276 | 0.34 | 0.18 | 0.48 |
| PFC-47 | 268364.5 | 1862087 | 1578.04 | 0 | -90 | 1,093 | 203 | 1,079 | 876 | 0.31 | 0.25 | 0.51 |
| PFC-48 | 267941.3 | 1862174 | 1493.4 | 0 | -90 | 1,343 | 795 | 1,335 | 540 | 0.44 | 0.45 | 0.79 |
| PFC-49 | 268272.9 | 1861803 | 1603.55 | 0 | -90 | 1,033 | 364 | 820 | 456 | 0.30 | 0.50 | 0.69 |
| THM-13 | 268112 | 1861951 | 1546.22 | 135 | -70 | 806 | 262 | 805 | 543 | 0.46 | 0.79 | 1.08 |
| Incl. | | | | | | | 528 | 805 | 277 | 0.50 | 1.19 | 1.43 |
| THM-15 | 268232.6 | 1862064 | 1550.35 | 0 | -90 | 1,051 | 13 | 1,050 | 1,037 | 0.43 | 0.51 | 0.83 |
| THM-16 | 267966.3 | 1861652 | 1551.85 | 0 | -90 | 757 | 202 | 652 | 450 | 0.22 | 0.18 | 0.36 |
| THM-18 | 268205 | 1861764 | 1580.58 | 0 | -90 | 753 | 116 | 592 | 476 | 0.28 | 0.19 | 0.43 |
| THM-19 | 268391.9 | 1861983 | 1624.61 | 0 | -90 | 657 | 425 | 657 | 232 | 0.25 | 0.18 | 0.39 |
| THM-20 | 268159.2 | 1861496 | 1605.44 | 0 | -90 | 1,039 | 522 | 807 | 285 | 0.36 | 0.30 | 0.59 |
| THM-21 | 268358.8 | 1861605 | 1601.13 | 0 | -90 | 747 | 506 | 747 | 241 | 0.31 | 0.16 | 0.44 |
| THM-22 | 268112.2 | 1861872 | 1549.7 | 0 | -90 | 1,060 | 254 | 1,008 | 754 | 0.49 | 0.64 | 0.99 |
| Incl. | | | | | | | 572 | 1,002 | 430 | 0.58 | 0.80 | 1.21 |
| THM-24 | 268005.6 | 1861871 | 1519.01 | 0 | -90 | 1,051 | 269 | 1,051 | 782 | 0.31 | 0.29 | 0.54 |
| TGF-26 | 268256.1 | 1862285 | 1520.18 | 0 | -90 | 1,134 | 219 | 417 | 195 | 0.31 | 0.36 | 0.59 |
| and | | | | | | | 486 | 639 | 153 | 0.32 | 0.31 | 0.56 |
| and | | | | | | | 792 | 1,128 | 336 | 0.41 | 0.49 | 0.79 |
| TGF-27 | 268360.2 | 1862182 | 1547.21 | 0 | -90 | 1,073 | 441 | 537 | 96 | 0.36 | 0.40 | 0.67 |
| and | | | | | | | 630 | 783 | 153 | 0.32 | 0.31 | 0.56 |
| TGF-28 | 268254.5 | 1862385 | 1507.82 | 0 | -90 | 1,108 | 300 | 1,108 | 808 | 0.38 | 0.39 | 0.68 |
| TGF-29 | 268174.3 | 1862183 | 1502.28 | 0 | -90 | 1,023 | 201 | 1,023 | 822 | 0.44 | 0.47 | 0.81 |
| TGF-31 | 268304.5 | 1861981 | 1580.37 | 0 | -90 | 1,080 | 273 | 1,080 | 807 | 0.36 | 0.32 | 0.61 |
| TGF-32 | 268210.7 | 1861867 | 1583.06 | 0 | -90 | 1,085 | 177 | 957 | 780 | 0.38 | 0.56 | 0.82 |
| TGF-33 | 268150.9 | 1862282 | 1503.58 | 0 | -90 | 1,041 | 255 | 1,041 | 786 | 0.43 | 0.50 | 0.82 |
| TGF-34 | 268162.5 | 1862380 | 1509.95 | 0 | -90 | 1,043 | 240 | 1,043 | 803 | 0.35 | 0.39 | 0.65 |
| TGF-35 | 268067.8 | 1862122 | 1489.43 | 0 | -90 | 1,004 | 318 | 1,004 | 686 | 0.39 | 0.42 | 0.72 |
| TGF-38 | 268052.3 | 1862284 | 1513.59 | 0 | -90 | 924 | 336 | 924 | 588 | 0.39 | 0.41 | 0.71 |

*Note:* *1. Lower grade intervals are calculated using a 0.2% Cu cut-off grade and includes internal dilution*
*2. Higher grade (incl.) intervals are calculated using a 1.00% CuEq cut-off grade and includes internal dilution*
*3. CuEq calculation assumes metal prices of USD2.80/lb Cu, USD1,800/oz Au, and recoveries of 90% for Cu and 75% for Au.*
*4. CuEq (%) = (Cu% x Cu price per lb x 2,204.6 x Cu recovery) + (Au g/t x Au price per oz/31.1035 x Au recovery)*
*(Cu price per lb x 2,204.6 x Cu recovery)*
*= Cu% + 0.78 x Au g/t*



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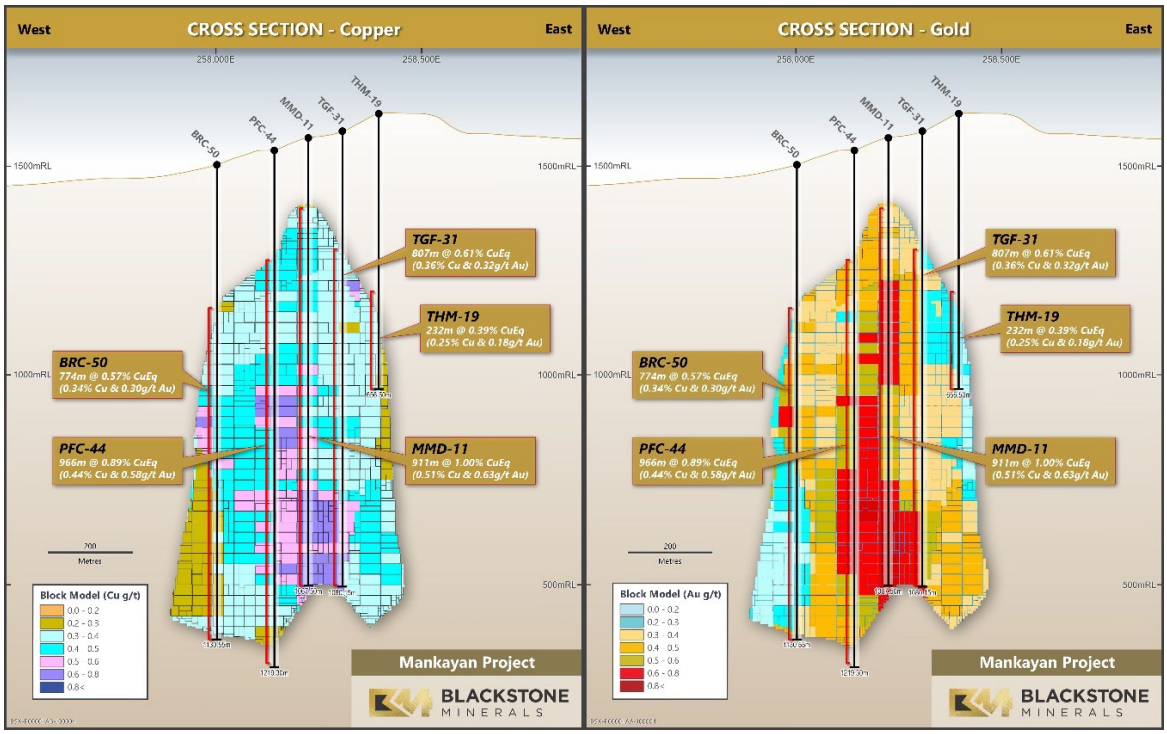

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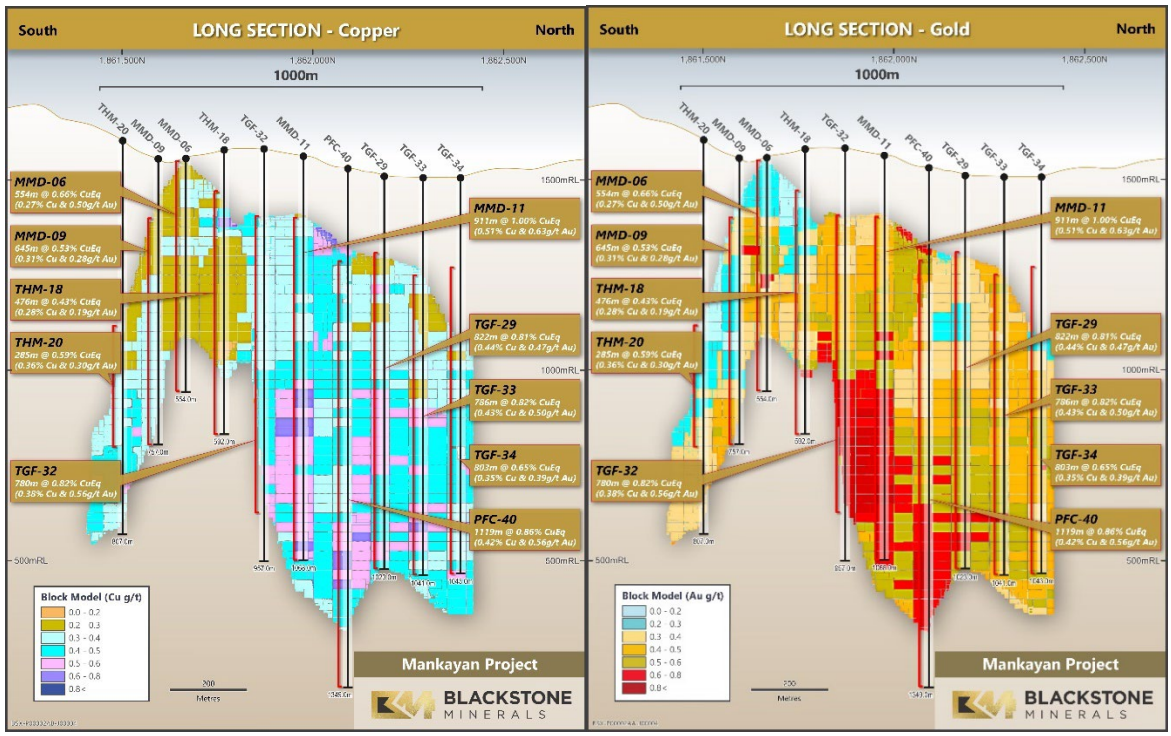
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## Cross Section (from Geological map)




## Long Section (from Geological map)






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# Appendix 2: Mankayan Project Mineral Resource Estimate as at 30 September 2020

## Location

The Mankayan porphyry copper-gold deposit is located approximately 6 km southeast of the towns of Mankayan and Lepanto, in the municipality of Mankayan, Benguet Province, Island of Luzon, Republic of the Philippines (Figure 1). The deposit is centred at approximately 16°5′ North latitude and 120°49′ East longitude.

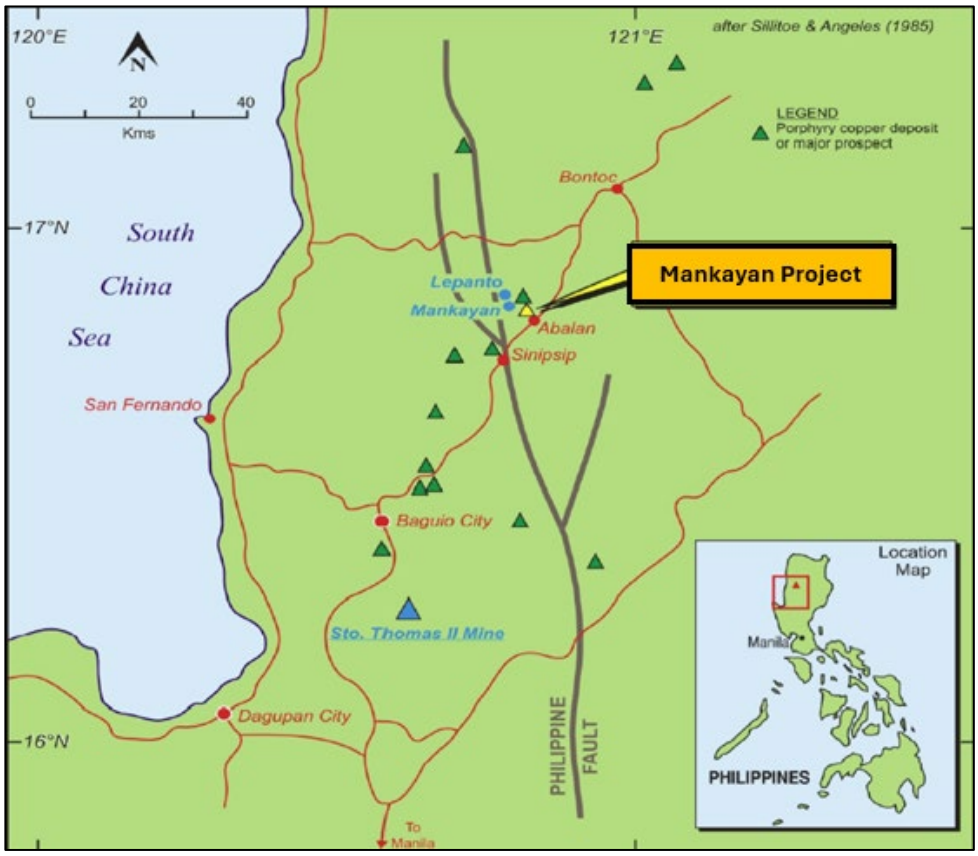



**Figure 1. Project location**

## Geology and Mineralisation

The Philippine archipelago is located midway along a chain of islands that run along the eastern margin of continental Asia from Japan in the north to Indonesia in the south. The Mankayan mineral district is located in northern Luzon and hosts several significant ore deposits and prospects of various types. The main geologic units represented in the district include:

- Basement composed of late Cretaceous to middle Miocene metavolcanic and volcaniclastic rocks.
- Miocene (12 to 13 Ma) tonalitic Bagon intrusive complex.
- Pliocene (~2.2 to 1.8 Ma) Imbanguila dacite porphyry and pyroclastic rocks.
- Post-mineralisation cover rocks, including the ~1.2 to 1.0 Ma Bato dacite porphyry and pyroclastic rocks and the ~0.02 Ma Lapangan tuff.

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At the Mankayan project, the host rocks are associated with a Pliocene stock complex that is composed largely of quartz diorite porphyry rocks. Two distinct phases of igneous intrusions have been identified:

- Hornblende quartz diorite porphyry (QDP).
- A later quartz diorite porphyry body (IQD) that has intruded the QDP body in the southern part of the project area.

Both quartz diorite intrusives have cut through a basement of early Mesozoic biotite–quartz schists and a thick sequence of middle to late Mesozoic andesitic volcanics and minor calcareous rocks.

Both the QDP and IQD intrusives host copper and gold mineralisation. The QDP is the most important host for the copper mineralisation, with IQD containing lower grade mineralisation. The immediate volcanic host rocks surrounding the plutonic rocks are also mineralised in proximity to the diorites.

Six alteration styles have been identified comprising potassic, calc-silicate, sericite-chlorite-clay, sericite, argillic, and propylitic. Mineralisation is mostly associated with the sericite-chlorite-clay, sericite, and argillic phases. The sulphide minerals consist principally of pyrite, with lesser amounts of chalcopyrite, bornite, covellite and chalcocite. Trace amounts of molybdenite, galena and sphalerite also occur. Gold occurs as native gold and as inclusions in other sulphides.

**Drilling**

Since its discovery in the early 1970's, the Mankayan deposit has undergone several changes of ownership and has been the subject of six separate drilling campaigns to 2020 comprising 56 drillholes totalling nearly 55,000m. All drilling was conducted using coring methods and a mixture of PQ, HQ, NQ and BQ core sizes.

**Sampling and Sub-sampling**

Core was sampled mostly in 3 m, 6 m, or 10 m intervals depending on the year the sample was taken. Core was cut using a diamond core saw or split with a chisel and hammer. Half core samples were dried, crushed, and pulverised to produce a final grind size of minus 150 mesh. Generally sample preparation was done on site.

**Analyses**

Copper and gold were analysed by industry-standard methods appropriate when the drilling was undertaken. Copper was analysed using an acid digest with an AAS finish. Gold was analysed using the lead fire assay technique with an AAS finish.

Digest methods changed over time, from 2-acid to 3-acid to 4-acid and therefore there is some possibility that some copper analyses from earlier drilling campaigns may understate the copper grade because of incomplete digest.

**Modelling and Resource Estimation**

The process used to prepare the 2020 Mankayan Mineral Resource estimate comprised the following steps:

1. Digital and hardcopy drillhole data were extracted from a master database then imported into Microsoft Access software for checking and validation.
2. Digital topographic survey data was reviewed and imported into the Vulcan software package.
3. Data validation checks were completed, focused on sampling/analysis data. Once source data was checked, modifications were applied to the master data sets accordingly, particularly in the treatment of missing/non-sampled assay data.
4. Three-dimensional interpretations of lithology and alteration zones were checked in Vulcan, with minor edits made.
5. Three-dimensional interpretations of a nominal 0.2% Cu grade envelope were checked in Vulcan, with minor changes made to reflect new data and the inclusion of some peripheral drillholes previously excluded. Also, some adjustments were made to include areas of higher gold content, but lower copper content inside the grade envelope.

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6. Statistical analysis of drillhole assay data was completed and used to establish the optimum composite sample length.
7. Drillhole composites were generated for copper, gold, and silver, followed by composite statistics and a variogram analysis of the drillhole data.
8. A three-dimensional block model was created in Vulcan with a parent size of 25 m in each direction, with sub-celling of parent blocks into cubes 6.25 m in dimension.
9. Estimation search parameters were developed for each lithology within the grade envelope, and estimates were generated using the ordinary kriging method.
10. Block model validation comprised visual checking of block grades against composite values and other statistical checks.
11. Assignment of the Mineral Resource classification was completed, considering the confidence in the geological interpretation of the mineralisation, drillhole spacing, sample density, assessments of the integrity and robustness of the sample database, and estimation quality.
12. Grade-tonnes curves were produced to illustrate the sensitivity of the estimate to different cut-off criteria.
13. Criteria to support the reasonable prospects for eventual economic extraction were assessed and an appropriate cut-off criterion was selected for reporting Mineral Resources.

**Classification**

Resources have been classified based on continuity of copper grade as defined by the nominal drillhole spacing (100 m by 100 m), the existence of some selective sampling, and quality assurance and quality control input.

There is no Measured Mineral Resource. Indicated Mineral Resource was assigned to blocks if drilled to a nominal 100 m spacing and if the block estimate was determined predominantly from assayed sample intervals. Inferred Mineral Resource was assigned to all other blocks in the mineralisation envelope.

**Cut-off Criteria**

A copper equivalent (CuEq) was calculated to recognise the value of gold. Assumptions are based on:

- Metal prices of USD 2.80/lb Cu and USD 1,800/oz Au.
- Recoveries of 90% for Cu and 75% for Au.

A scoping study in 2014, updated in 2018 indicated a cut-off criterion of 0.20 – 0.23% CuEq would be appropriate for a block caving operation at Mankayan. In addition, reporting cut-off criteria for other large copper deposits were reviewed, with criterion that ranged from 0.15 – 0.40% CuEq applied.
For the 2020 estimate, Derisk applied a reporting cut-off criterion of 0.25% CuEq.

**Modifying Factors**

The depth of the deposit below the surface indicates the deposit would be most likely mined using underground methods, and the large scale and disseminated low grades would be suited to bulk underground mining. Scoping studies completed in 2014 and updated in 2018 suggested block caving would be feasible.

Limited metallurgical testwork has been completed that indicates the deposit is amenable to a conventional crush, grind, flotation, and drying operation to produce a readily marketable copper-gold concentrate for sale.

**Mineral Resource**

Derisk is not aware of any non-technical issues such as environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant factors that are likely to prevent the reporting of a Mineral Resource for Mankayan, and concludes that there are reasonable prospects for eventual economic extraction. The Mineral Resource estimate for Mankayan is summarised in Table 1.



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| Resource Category | Mt | CuEq (%) | Cu (%) | Au (g/t) | Ag (g/t) | CuEq (Mt) | Cu (Mt) | Au (Moz) | Ag (Moz) |
|---|---|---|---|---|---|---|---|---|---|
| Measured | - | - | - | - | - | - | - | - | - |
| Indicated | 638 | 0.68 | 0.37 | 0.40 | 0.9 | 4.3 | 2.3 | 8.2 | 18 |
| Inferred | 155 | 0.52 | 0.29 | 0.30 | 0.5 | 0.8 | 0.5 | 1.5 | 3 |
| **TOTAL** | **793** | **0.65** | **0.35** | **0.38** | **0.8** | **5.2** | **2.8** | **9.7** | **20** |

**Table 1. Mineral Resource reported at a cut-off criterion of 0.25% CuEq as at 30 September 2020**

*Note: 1. Totals may not add due to rounding effects.*

*2. CuEq calculation assumes metal prices of USD 2.80/lb Cu, USD 1,800/oz Au, and recoveries of 90% for Cu and 75% for Au.*

*3. CuEq (%) = (Cu% x Cu price per lb x 2,204.6 x Cu recovery) + (Au g/t x Au price per oz/31.1035 x Au recovery)*
*(Cu price per lb x 2,204.6 x Cu recovery)*

*= Cu% + 0.78 x Au g/t*

Table 2 summarises the resource model estimate at a range of cut-off criterion from 0.0% CuEq to 1.0% CuEq. The resource model is relatively insensitive to changes in the cut-off criteria below 0.4% CuEq.

| Cut-off (CuEq %) | Mt | CuEq (%) | Cu (%) | Au (g/t) | Ag (g/t) | CuEq (Mt) | Cu (Mt) | Au (Moz) | Ag (Moz) |
|---|---|---|---|---|---|---|---|---|---|
| 0.0 | 805 | 0.64 | 0.35 | 0.38 | 0.8 | 5.2 | 2.8 | 9.7 | 20 |
| 0.1 | 804 | 0.64 | 0.35 | 0.38 | 0.8 | 5.2 | 2.8 | 9.7 | 20 |
| 0.2 | 800 | 0.64 | 0.35 | 0.38 | 0.8 | 5.2 | 2.8 | 9.7 | 20 |
| 0.3 | 781 | 0.65 | 0.35 | 0.38 | 0.8 | 5.1 | 2.8 | 9.7 | 20 |
| 0.4 | 731 | 0.67 | 0.36 | 0.40 | 0.8 | 4.9 | 2.7 | 9.4 | 19 |
| 0.5 | 604 | 0.72 | 0.38 | 0.43 | 0.8 | 4.4 | 2.3 | 8.4 | 16 |
| 0.6 | 439 | 0.78 | 0.41 | 0.48 | 0.9 | 3.4 | 1.8 | 6.7 | 13 |
| 0.7 | 280 | 0.86 | 0.45 | 0.53 | 0.9 | 2.4 | 1.3 | 4.8 | 8 |
| 0.8 | 170 | 0.93 | 0.48 | 0.58 | 0.9 | 1.6 | 0.8 | 3.2 | 5 |
| 0.9 | 92 | 1.01 | 0.51 | 0.64 | 0.9 | 0.9 | 0.5 | 1.9 | 3 |
| 1.0 | 38 | 1.10 | 0.54 | 0.72 | 0.9 | 0.4 | 0.2 | 0.9 | 1 |

**Table 2. Mankayan resource model tonnes – grade relationship**

This summary was extracted from the report titled "Mineral Resource Estimate For The Guinaoang Copper-Gold Project, Mankayan Municipality, Luzon Philippines", dated November 2020 prepared by Derisk Geomining Consultants Pty Ltd.

For more details of the Mankayan Mineral Resource estimate, readers are referred to Appendix 3 (JORC Code Table 1. Checklist of Assessment and Reporting Criteria).

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# Appendix 3: JORC Code Table 1 Checklist of Assessment and Reporting Criteria

**Sampling techniques and data.**

| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| SAMPLING TECHNIQUES | • Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. | • The deposit is buried and there are no surface samples.<br>• Drilling is the only feasible sampling method for the mineralisation without underground access. All sampling is from diamond drill core (as described below).<br>• The quality of the samples collected from diamond drilling is high. |
| | • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. | • Diamond drilling collects samples of the rock that are very representative of the material drilled. No calibration is required. |
| | • Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. | • Mineralisation is associated with porphyry intrusive activity and is generally disseminated or as stockwork veins. Copper grades are typically <2% and gold grades are typically <2 g/t.<br>• Most drillholes are completely sampled and assayed in the target zones below the overlying unmineralised diatreme, but some drillholes have been selectively sampled based on a visual mineralisation content. This introduces potential for grade bias. All drill intervals suspected as selectively sampled have had grades reset to 0.001 (% Cu and g/t Au) to avoid potential overstatement bias. |
| DRILLING TECHNIQUES | • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | • All drilling is by diamond core with maximum hole depth of nearly 1,500 m.<br>• Core size varies from PQ, HQ, NQ and BQ. Most records do not document whether coring used triple-tube.<br>• Most of the drilling was completed in five separate campaigns from 1971 to 2009 comprising:<br>– MMDC (11 drillholes) from 1971 to 1973<br>– TMI and HMDC (14 drillholes) from 1980 to 1982<br>– GFAL (12 drillholes) from 1983 to 1984<br>– CMDC and PFRC (11 drillholes) from 1996 to 1997<br>– Bezant (10 drillholes) from 2007 to 2009<br>– Bezant and Gold Fields (1 drillhole) in 2013<br>• There is no preserved drill core for any drilling completed prior to 1996 and some PFC series drill core is also lost. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| DRILL SAMPLE ARECOVERY | • Method of recording and assessing core and chip sample recoveries and results assessed. | • Core placed in core trays was measured, recorded, and compared with depth markers placed by the drill crew to determine recovery as a percentage.<br>• The mean core recovery for diamond core collected as part of the 2007-2013 drilling was >96%.<br>• There is no preserved core recovery data for the earlier drilling campaigns but is reported in company documentation prepared by the tenement operator to be high recovery. |
| | • Measures taken to maximise sample recovery and ensure representative nature of the samples. | • Professionally drilled diamond coring is acknowledged as a good method for collection of representative samples in reasonably competent rock conditions. Company documentation indicates rock conditions were generally good and sample recovery was adequate. |
| | • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | • Basic statistical analysis of sample recovery versus copper and gold grades does not suggest any relationship, nor the presence of a bias. |
| LOGGING | • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. | • Logging of geological and geotechnical features in the diamond core was done with sufficient detail to meet the requirements of resource estimation and preliminary mining studies. However, original drill logs for many of the holes drilled prior to 1996 have been lost leaving only digital records of the logging. |
| | • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. | • Logging was qualitative. Consistent core photography is only available for holes drilled after 1997. |
| | • The total length and percentage of the relevant intersections logged. | • 100% of all core has been geologically logged. |
| SUB-SAMPLING TECHNIQUES AND SAMPLE PREPARATION | • If core, whether cut or sawn and whether quarter, half or all core taken. | • Core was sampled mostly in 3, 6, 10 m intervals depending on the year the sample was taken. Core was cut using a diamond core saw or split with a chisel and hammer. |
| | • If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | • Not relevant. |
| | • For all sample types, the nature, quality, and appropriateness of the sample preparation technique. | • Half core samples were dried, crushed, and pulverised to produce a final grind size of minus 150 mesh. Generally sample preparation was done on site. Derisk considers that the documented sample preparation technique was appropriate for the mineralisation. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | • QC procedures varied for different drilling campaigns, but typically included insertion of blanks and coarse duplicates to monitor sub-sampling procedures. |
| | • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. | • Coarse duplicates sometimes consisted of ¼ core and therefore there are some concerns that this material is not completely representative of the ½ primary sample. |
| | • Whether sample sizes are appropriate to the grain size of the material being sampled. | • No quantitative tests have been completed to demonstrate sample sizes are appropriate to the grain size of the material. Anecdotally, pulp re-assays at different laboratories and pulp duplicates do not show any significant bias. |
| QUALITY OF ASSAY DATA AND LABORATORY TESTS | • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | • Copper and gold were analysed by industry-standard methods appropriate when the drilling was undertaken.<br>• Copper was analysed using an acid digest with an AAS finish. Gold was analysed using the lead fire assay technique with an AAS finish.<br>• Digest methods changed over time, from 2-acid to 3-acid to 4-acid and therefore there is some possibility that some copper analyses from earlier drilling campaigns may understate the copper grade because of incomplete digest. |
| | • For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | • Not relevant. |
| | • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. | • QC systems and procedures varied for different drilling campaigns, but generally involved some combination of blanks, duplicates, standards (CRMs), in-house laboratory checks, and umpire laboratory checks.<br>• Bezant selectively re-assayed laboratory pulps from THM, TGF and PFC series drillholes to independently check the accuracy of the earlier analytical work.<br>• Bezant/Gold Fields also re-assayed pulps from the BRC series drilling using a different analytical method for Cu.<br>• Snowden completed statistical analysis of Cu and Au from specific drill programs and compared this to the results of the rest of the drilling database. |
| VERIFICATION OF SAMPLING | • The verification of significant intersections by either independent or alternative company personnel. | • Drilling has been completed by different companies and Derisk has sighted several reports e.g. Angeles (2009), that have in-part tried to verify significant intersections where possible. However much of the core is no longer preserved. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| AND ASSAYING | | • Derisk visited site in July 2020 and completed a general inspection of core stored at site, specifically inspecting BRC-60 (the most recent drillhole). Visibly mineralised core was sighted that reflected the recorded copper grade assigned to specific intervals.<br>• Each of the five major drilling programs has reported similar low and disseminated copper gold grades, consistent with porphyry mineralisation. |
| | • The use of twinned holes. | • The only twinned drillholes are THM-12 and TGF-32, however THM-12 contains very few assay records and therefore does not allow a twinned hole assay comparison. |
| | • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | • Records pertaining to management of primary data, data entry procedures, and data verification are not well documented for most drilling campaigns.<br>• Derisk was supplied with various digital datasets and needed to amalgamate data from different files to generate a new master database to incorporate the latest work completed by Bezant/Gold Fields. |
| | • Discuss any adjustment to assay data. | • Derisk adjusted some of the data in the digital database to ensure that analysed samples that recorded below detection limits were treated differently to unsampled intervals. |
| LOCATION OF DATA POINTS | • Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. | • All the MMD, THM, TGF and PFC drillhole collars were surveyed using a theodolite.<br>• Bezant series holes were surveyed using a handheld GPS unit.<br>• The drillhole holes are on average over 900 m deep. There is only limited downhole survey information derived from single shot camera devices. The downhole azimuth readings will be distorted to some extent by magnetite, which is a common alteration product. Consequently, there will be significant uncertainties tied to the accuracy of many of the drillholes at depth. |
| | • Specification of the grid system used. | • Almost all the MMD, THM, TGF and PFC drillhole collars were re-surveyed by CMDC/PFRC using the WGS 84 coordinate system. |
| | • Quality and adequacy of topographic control. | • The surface topography is adequate, but Angeles (2009) recommended that the existing topographic survey be redone.<br>• The Guinaoang deposit is buried. The topography data is not material to the Mineral Resource estimate but will be critical for the design of surface infrastructure. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| DATA SPACING AND DISTRIBUTION | • Data spacing for reporting of Exploration Results. | • Not relevant. |
| | • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. | • The drilling has been located on a grid of approximately 100 m by 100 m. Most of the drilling is vertical. This drillhole spacing is sufficient to confirm areas assigned to the Indicated category where there is reasonable geological and grade continuity between sections. |
| | • Whether sample compositing has been applied. | • For resource estimation purposes a 9 m composite interval was used to standardise the sample lengths. |
| ORIENTATION OF DATA IN RELATION TO GEOLOGICAL STRUCTURE | • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. | • Mineralisation covers an extent of 900 m by 500 m by 1,000 m depth and is sub-vertical in nature. Mineralisation is disseminated and hosted in veins and stockworks.<br>• Drillholes are either vertical or moderate to steeply dipping. This orientation is not ideal for unbiased sampling of steeply dipping vein systems. However, the location and orientation of the diamond drilling is adequate given the strike, depth, and morphology of the copper mineralisation. |
| | • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | • No assessment of potential sampling bias has been completed because there is no oriented core available to complete an assessment. |
| SAMPLE SECURITY | • The measures taken to ensure sample security. | • Mineralisation is typically low grade and no specific security measures have been recorded for any drilling campaigns. |
| AUDITS OR REVIEWS | • The results of any audits or reviews of sampling techniques and data. | • A review of Guinaoang drilling, sampling, and logging was conducted by Angeles, in 2009. The objective was to prepare the data for the June 2009 resource estimation work.<br>• Snowden completed an independent review of the drillhole database in readiness for a Mineral Resource estimate in 2009.<br>• Derisk completed spot checks of the Snowden database and compiled all available data from the Bezant/Gold Fields joint venture into a new master database in 2020. |

**Reporting of Exploration Results.**

| CRITERIA | JORC Code explanation | Commentary |
|---|---|---|
| MINERAL TENEMENT AND LAND | • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title | • As at November 2020, the Project was held under MPSA 057-96-CAR, totalling 534 ha, granted on 11 December 1996 for an intial period of 25 years. MPSA 057-96-CAR is held by CMDC. IDM is the majority owner of CMDC. |

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| CRITERIA | JORC Code explanation | Commentary |
|---|---|---|
| TENURE STATUS | interests, historical sites, wilderness or national park and environmental settings. | |
| | • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | • The MPSA 057-96-CAR was successfully renewed for an additional 25 years in March 2022. |
| EXPLORATION DONE BY OTHER PARTIES | • Acknowledgment and appraisal of exploration by other parties. | • The deposit was discovered in the early 1970s and has been explored through drilling by six separate parties. Each program has added to the current database and deposit knowledge.<br>• The deposit is buried and there is no other exploration information that is material to the Mineral Resource. |
| GEOLOGY | • Deposit type, geological setting, and style of mineralisation. | • The Guinaoang porphyry copper deposit is related to Island Arc porphyry emplacement. The subduction environment results in magmatism and porphyry deposits that are the result of hydrous magmas being emplaced at relatively shallow depths (<2 km). The Philippines has numerous similar deposits located in clusters along the Luzon, Visayas and Mindanao orogenic belts.<br>• Mineralisation is mostly associated with the sericite-chlorite-clay, sericite, and argillic phases. The sulphide minerals consist principally of pyrite, with lesser amounts of chalcopyrite, bornite, covellite and chalcocite. Trace amounts of molybdenite, galena and sphalerite also occur. Gold occurs as native gold and as inclusions in other sulphides. |
| DRILLHOLE INFORMATION | • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes:<br>• Easting and northing of the drillhole collar.<br>• Elevation or RL (Reduced Level – elevation above sea level in metres) of the drillhole collar.<br>• Dip and azimuth of the hole.<br>• Down hole length and interception depth.<br>• Hole length. | • Exploration Results are not reported.<br>• The Mineral Resource is based on 56 drillholes with an average depth of 1,030 m and which are predominantly vertical.<br>• The drilling is regularly spaced on the most part, nominally 100 m by 100 m. |
| | • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | • Four drillholes were excluded because of no assay data, being outside the model area or were replaced by a nearby more completely sampled drillhole. |

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| CRITERIA | JORC Code explanation | Commentary |
|---|---|---|
| DATA AGGREGATION METHODS | • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. | • For Exploration Results reporting of significant intercepts in selected drill holes, samples have been composited and no cutting of high grades has been done.<br>• The Mineral Resource estimated is based on length weighted 9 m composites of diamond drill core samples. |
| | • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. | • For Exploration Results reporting of significant intercepts in selected drill holes, samples have been composited using a length-weighted method.<br>• Samples are aggregated into 9 m composites for Mineral Resource estimation and incorporate any intervals of high grade. |
| | • The assumptions used for any reporting of metal equivalent values should be clearly stated. | • For Exploration Results and Mineral Resources, a copper-equivalent is calculated using copper and gold grades, metal price assumptions (USD 2.80/lb Cu and USD 1,800/oz Au) and recovery assumptions (90% for Cu and 75% for Au). |
| RELATIONSHIP BETWEEN MINERALISATION WIDTHS AND INTERCEPT LENGTHS | • These relationships are particularly important in the reporting of Exploration Results. | • The global extent of the porphyry copper mineralisation extends hundreds of metres in all directions. Typically, individual drillhole sample intervals range from 1 m to 10 m and therefore represent a small proportion of the mineralisation width. |
| | • If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. | • The broad nature of porphyry copper mineralisation is sub-vertical, as is much of the drilling. Whilst not ideal, drilling is adequate to define the porphyry style of mineralisation, which displays considerable depth over a broad zone. |
| | • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). | • All references to mineralised intervals are downhole lengths. |
| DIAGRAMS | • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views. | • Example sections and plans are included in the report. |
| BALANCED REPORTING | • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | • Appendix 1 lists mineralised drill hole intercepts for over 30 drill holes.<br>• The Mineral Resource is reported on a tonnage weighted basis. |

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| CRITERIA | JORC Code explanation | Commentary |
|---|---|---|
| OTHER SUBSTANTIVE EXPLORATION DATA | • Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | • The deposit is buried and all exploration data is derived from drilling. |
| FURTHER WORK | • The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). | • The Project was dormant from 2014 to 2020 except for several desktop reviews and scoping studies.<br>• Future activities planned from 2020 will be aimed at collecting data to support a prefeasibility study and conversion of Mineral Resources to Ore Reserves. |
| | • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | • The limits of mineralisation are effectively closed off by the current drilling. |

**Estimation and reporting of Mineral Resources.**

| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| DATABASE INTEGRITY | • Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. | • Most previous drilling campaigns were logged on hardcopy records and then transcribed into digital files. Derisk has not sighted any documentation describing measures taken to ensure database integrity.<br>• Derisk was provided with several digital datasets of all drilling data as Microsoft Excel files, that were then converted to a database for analysis. |
| | • Data validation procedures used. | • Several previous data validation exercises have been sighted e.g. Angeles (2009) and Snowden (2009). Snowden checked some original hardcopy logs.<br>• During the July 2020 site visit, Derisk sighted a range of hardcopy geological logs and laboratory records.<br>• Derisk completed a range of standard digital data validation checks including survey, sampling, geological and analysis checks. |
| SITE VISITS | • Comment on any site visits undertaken by the Competent Person and the outcome of those visits. | • The Derisk site visit in July 2020 provided confirmation of site conditions and remaining drill core, samples and drilling-related records stored at site. Due to the project having a long history, geological information has been misplaced or lost and |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | | unfortunately a significant amount of the drill core has been discarded and historic logging and photographic information no longer exists |
| | • If no site visits have been undertaken indicate why this is the case. | • Not relevant. |
| GEOLOGICAL INTERPRETATION | • Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. | • Mineralisation is interpreted to be influenced by lithology, alteration, and structure.<br>• Confidence in the broad high-level geological interpretation is high because it is relatively simple. However, at a local scale the interpretation will be more complex.<br>• Simplified geological interpretation of the four main geological units and the key alteration types was compiled as part of the 2009 review and remains unchanged in the 2020 estimate except for minor edits to incorporate BRC-60, drilled in 2013.<br>• Alteration may play an important role and control on grade and requires further work, particularly when additional closer spaced drilling data becomes available. |
| | • Nature of the data used and of any assumptions made. | • All data contributing to the geological interpretation is derived from drilling. |
| | • The effect, if any, of alternative interpretations on Mineral Resource estimation. | • A mineralisation envelope defined at a nominal 0.2% Cu grade has been interpreted to constrain the estimation of Cu, Au and Ag.<br>• Grade is disseminated around the core porphyry units but also extends into the surrounding volcanics. This outlines a massive area of disseminated low grade copper and gold where alternative grade interpretations are not likely.<br>• Alteration is expected to play a significant role in influencing grade distribution for Cu and Au but has not been used in the 2020 estimate. The use of alteration domains to control grade estimates are unlikely to materially alter the global estimate but will change local estimation of Cu and Au. |
| | • The use of geology in guiding and controlling Mineral Resource estimation. | • Lithology has been used indirectly to create the 0.2% Cu mineralisation envelope.<br>• Estimation is undertaken for geology and mineralisation subsets.<br>• Geology is used for grade estimation control as this captures the downward trend in grades away from the porphyry core. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | • The factors affecting continuity both of grade and geology. | • Six phases of alteration and mineralisation have been interpreted at Guinaoang and the interplay between the different phases is the key factor affecting continuity of grade. |
| DIMENSIONS | • The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource. | • The Guinaoang deposit is an elongate body that is about 900 m long, 500 m wide and drilled to a depth of approximately 1,200 m. |
| ESTIMATION AND MODELLING TECHNIQUES | • The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. | • A block model was used for estimating and reporting tonnage weighted grades.<br>• Grades for Cu, Au and Ag were estimated using OK (parent cell estimation) using two estimation passes using a radius of 125 m initially and then 250 m. Parameters for the first pass included:<br>– Ten 9 m composites per drillhole<br>– Between 15 and 50 composites<br>– Minimum of three and maximum of five drillholes<br>– 5 by 5 by 5 discretisation points<br>• These parameters are suited for a large, mineralised body likely to be a bulk mining operation such as block cave extraction. |
| | • The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. | • The 2020 estimate was directly compared with the 2009 Snowden estimate. Results are comparable but there are differences as a result of one new hole, subtle changes to the domaining, and treatment of unsampled intervals. There is no mining at the site. |
| | • The assumptions made regarding recovery of by-products. | • Processing is likely to be by flotation to produce a concentrate containing Cu, Au and Ag. Cu and Au are the main metals of economic significance. |
| | • Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation). | • No elements other than Cu, Au and Ag were estimated. The drillhole database does not contain a significant number of analyses for other elements to permit estimation of deleterious elements. |
| | • In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. | • The blocks of 25 m by 25 m by 25 m were sub-blocked to 6.25 m along mineralisation or geology boundaries.<br>• Most drilling is on a nominal spacing of 100 m by 100 m. |
| | • Any assumptions behind modelling of selective mining units. | • Modelling of selective mining units was not undertaken. |
| | • Any assumptions about correlation between variables. | • Cu, Au and Ag were independently estimated. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | • Description of how the geological interpretation was used to control the resource estimates. | • The geological interpretation was used to guide the creation of the 0.2% Cu grade envelope that was used to constrain resource estimation but was not directly used to constrain the estimate. |
| | • Discussion of basis for using or not using grade cutting or capping. | • No grade caps were utilised. A statistical analysis shows low variance with CoV values below 1, especially for the mineralised domains. |
| | • The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available. | • Validation was completed by:<br>– Visual checks of model grades vs drillholes.<br>– Comparing block model statistics with composite statistics.<br>– Swath plots.<br>• Results suggest that the modelling and estimation process has been undertaken as expected. |
| MOISTURE | • Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. | • All tonnages have been estimated as dry tonnes.<br>• Previous estimates were reported as dry but measurements were undertaken on undried core samples with natural moisture contents,<br>• Derisk applied an assumed moisture content of 4% to convert bulk density to dry bulk density for the 2020 estimate. |
| CUT-OFF PARAMETERS | • The basis of the adopted cut-off grade(s) or quality parameters applied. | • In 2009, 0.4% Cu cut-off criterion was used for reporting, but this does not consider the contribution of Au.<br>• A CuEq was calculated to recognise the value of gold. Assumptions are based on:<br>– Metal prices of USD 2.80/lb Cu and USD 1,800/oz Au.<br>– Recoveries of 90% for Cu and 75% for Au.<br>• A scoping study in 2014, updated in 2018 indicated a cut-off criterion of 0.20 – 0.23% CuEq would be appropriate for a block caving operation at Guinaoang. In addition, reporting cut-off criteria for other large copper deposits were reviewed, with criterion from 0.15 – 0.40% CuEq applied.<br>• For the 2020 estimate, Derisk applied a reporting cut-off criterion of 0.25% CuEq. |
| MINING FACTORS OR ASSUMPTIONS | • Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but | • The depth of the deposit below the surface indicates the deposit would be most likely mined using underground methods, and the large scale and disseminated low grades would be suited to bulk underground mining. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made. | • Scoping studies completed in 2014 and updated in 2018 suggested block caving would be feasible. |
| METALLURGICAL FACTORS OR ASSUMPTIONS | • The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made. | • Limited metallurgical testwork has been completed that indicates the deposit is amenable to a conventional crush, grind, flotation, and drying operation to produce a readily marketable copper-gold concentrate for sale.<br>• Preliminary testwork indicated recoveries of 94% for Cu and 74% for Au were obtainable. These results provide support that the recovery assumptions used in the CuEq formula for reporting cut-off criteria are reasonable. |
| ENVIRONMENTAL FACTORS OR ASSUMPTIONS | • Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made. | • For the Mineral Resource estimate, no assumptions were made with respect to environmental factors and assumptions. |
| BULK DENSITY | • Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size, and representativeness of the samples. | • Density averages are based on 2,426 measurements collected as part of the 2007-2009 drilling campaign.<br>• An assumption of inherent sample free moisture content (about 4%) was necessary to convert the density values to a dry basis.<br>• The data precision is low and supports a single bulk density value of 2.5 t/m$^3$ for all mineralised porphyry and volcanic rock materials. |
| | • The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. | • Measurements were performed on drill core samples using a weigh-in-air, weigh-in-water method. The rock mass is generally competent and contains few visible voids. No attempt was made to seal the core before the measurements were undertaken. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | • Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. | • A range of host rock and mineralised rock samples were measured for bulk density across the lateral and vertical extent of the deposit.<br>• Statistical analysis of the different lithologies was used to apply a standard dry bulk density to Mineralised and unmineralised porphyry and volcanics, and to unmineralised epiclastics. |
| CLASSIFICATION | • The basis for the classification of the Mineral Resources into varying confidence categories. | • Resources have been classified based on continuity of copper grade as defined by the nominal drillhole spacing (100 m by 100 m).<br>• Classification is flagged based on 3 drillholes within a 110 m search radius and more than 75% of the samples are assayed. The assay quality aspect reduces the area around a few drillholes where sampling and assaying is selective to Inferred. In most cases the resetting of missing grades to zero will remove most of these areas from the Mineral Resource statement. |
| | • Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity, and distribution of the data). | • Appropriate account has been taken of the key uncertainties in the drillhole data inputs, including loss of drill core from earlier programs, loss of some drillhole data records, loss of QA/QC documentation, and the use of a broad grade envelope to constrain the estimate rather than dedicated lithology and alteration controls. |
| | • Whether the result appropriately reflects the Competent Person's view of the deposit. | • The classification of the resource into Indicated and Inferred categories reflects the Competent Person's view. |
| AUDITS OR REVIEWS | • The results of any audits or reviews of Mineral Resource estimates. | • Derisk reviewed the 2009 estimate by Snowden in preparation for the 2020 estimate.<br>• No external reviews have been undertaken on the 2020 estimate. |
| DISCUSSION OF RELATIVE ACCURACY/ CONFIDENCE | • Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. | • No study of the quantification of confidence has been carried out.<br>• Indicated Resources are considered a reasonable basis for initial prefeasibility assessment of the deposit. Mine development would require additional infill drilling to better understand and predict grades. |

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| CRITERIA | JORC Code Explanation | Commentary |
|---|---|---|
| | • The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. | • The 2020 estimate is considered to be a robust global estimate.<br>• There is expected to be significant localised variability due to the likely influences of lithology and alteration that have not been modelled in the 2020 estimate. |
| | • These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. | • There is no production data from this deposit. |

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IDM International Limited

Blackstone Minerals Limited

# Scheme Implementation Deed

JOHNSON | WINTER | SLATTERY

Level 49 Central Park, 152-158 St Georges Terrace
PERTH WA 6000
T +61 8 6216 7222 | F +61 8 6216 7200
www.jws.com.au

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# Scheme Implementation Deed

**Date** 5 February 2025

## Parties

**1** **IDM International Limited** (ACN 108 029 198) (**Target**)

| | |
|---|---|
| Address: | 36 Riverside Road, East Fremantle, Western Australia, 6158 |
| Email: | geoff@willowood.com.au |
| Contact: | Mr Geoff Gilmour |
| Copy to: | paul.vinci@jws.com.au |

**2** **Blackstone Minerals Limited** (ACN 614 534 226) (**Bidder**)

| | |
|---|---|
| Address: | Level 5, 600 Murray Street, West Perth, Western Australia, 6005 |
| Email: | scott@blackstoneminerals.com.au |
| Contact: | Mr Scott Williamson |
| Copy to: | mmcconnell@steinpag.com.au |

## Recitals

**A** The Target and Bidder have agreed that the Target will propose a scheme of arrangement under Part 5.1 of the Corporations Act between the Target and its shareholders, pursuant to which the Bidder will acquire all of the ordinary shares in the Target.

**B** The Target and Bidder have agreed to implement the Scheme upon and subject to the terms and conditions of this document.

**C** The Target and Bidder have agreed certain other matters in connection with the Scheme as set out in this document.

## Operative part

## 1 Definitions and interpretation

### *1.1 Definitions*

The following definitions apply in this document, unless the contrary intention appears.

**Agreed Announcement** means a public announcement to be issued by each of the Bidder and the Target each in the Agreed Form.

**Agreed Form** means in the form agreed by or on behalf of the Bidder and the Target prior to execution of this document (with any subsequent changes that the Bidder and the Target may agree in writing).

**ASIC** means the Australian Securities and Investments Commission.

**ASIC Review Period** means the period from the date on which a draft of the Scheme Booklet is submitted by the Target to ASIC to the date on which ASIC confirms that it has no objection to the form of the Scheme Booklet.

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**Associate** has the meaning given in section 12 of the Corporations Act as if subsection 12(1) included a reference to this document and the Target or the Bidder (as applicable) is the 'designated body'; and, for the avoidance of doubt, is to be read together with the exclusions in section 16 of the Corporations Act.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

**ASX Listing Rules** means the official listing rules of the ASX.

**Bidder Capital Raising** means a capital raising by way of a placement, entitlement offer, securities purchase plan or other offering of Bidder Shares to enable the Bidder to raise no less than $5 million (before costs) on terms acceptable to the Target (acting reasonably).

**Bidder Directors** means the directors of the Bidder from time to time.

**Bidder Disclosure Materials** means:

(a) the information regarding the Bidder Group provided to the Target and its Representatives by the DD Cut-off Time, an index to which is in the Agreed Form; and

(b) the written responses from the Bidder and its Representatives to requests for further information made by the Target and its Representatives, a copy of which is in the Agreed Form.

**Bidder Group** means the Bidder and its Related Bodies Corporate, and includes Blackstone Minerals (Canada) Pty Ltd (ACN 620 995 806), Cobalt One Energy Corp (a company incorporated in Canada), AMR Nickel Limited (a company incorporated in the Cook Islands) and Ban Phuc Nickel Mines Limited (a company incorporated in Vietnam).

**Bidder Historical Announcements** means the ASX announcements of the Bidder from 1 February 2024 until the DD Cut-off Time.

**Bidder Indemnified Party** means the Bidder and its Representatives.

**Bidder Material Adverse Change** means any event, change or circumstance, which occurs or is reasonably likely to occur or is announced on or after the date of this document, or which occurs on or before the date of this document but which only becomes known to the Target after the date of this document (each a **Specified Event**) that, individually or in the aggregate with other such events, changes or circumstances of a similar kind or nature, results in or would, with the lapse of time, be reasonably likely to result in a diminution in the consolidated net assets of the Bidder Group by at least $500,000 against what it would reasonably have been expected to be but for the Specified Event, except any such event, change or circumstance:

(a) to the extent resulting from or arising out of:

(i) any disruption to the financial markets or economic conditions of any relevant jurisdiction, including but not limited to Australia, to the extent that such disruption has not had a disproportionate effect on the Bidder Group relative to other participants in the same industry;

(ii) any change in accounting standards, principles or interpretations in any jurisdiction;

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(iii) any adoption, implementation or change in generally applicable law or policy or any interpretation of generally applicable law or policy by any Governmental Agency (including in relation to any Tax);

(iv) any change in global, national or regional political conditions (including the outbreak of war (whether declared or not) or acts of terrorism or civil unrest) to the extent that such change has not had a disproportionate effect on the Bidder Group relative to other participants in the same industry;

(v) any climatic or other natural event or condition (including any weather conditions and any natural disaster) or other act of God, to the extent that such event has not had a disproportionate effect on the Bidder Group relative to other participants in the same industry; or

(vi) the execution, announcement or performance of this document or the implementation of the Scheme or the consummation of any transaction expressly required or expressly permitted by this document or the Scheme;

(b) in relation to any future write-down of the exploration assets held by the Bidder Group by the Bidder Group's auditor;

(c) fairly disclosed in the Bidder Disclosure Materials or Bidder Historical Announcements; or

(d) in relation to which the Target has consented in writing.

**Bidder Material Contract** means:

(a) the consultancy agreement between the Bidder and Whittle Consulting Pty Ltd dated 12 November 2024;

(b) any executive services agreements between the Bidder and its key executive personnel, provided to the Target prior to the DD Cut-off Time; and

(c) any other arrangement, agreement or understanding that the parties agree in writing to be a Bidder Material Contract.

**Bidder Prescribed Event** means any of the following:

(a) the Bidder converts all or any of its shares into a larger or smaller number of shares;

(b) any member of the Bidder Group reclassifies, splits, combines, redeems or buys back directly or indirectly any of its shares, agrees to do any of the foregoing, or resolves to reduce its share capital in any way;

(c) the Bidder declares or determines to pay any dividend or pays, makes or incurs any liability to pay any distribution whether by way of dividend, capital distribution, bonus or other share of its profits or assets to its members;

(d) any member of the Bidder Group issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option (other than issues of shares or other securities on conversion of any existing securities or convertible notes or on vesting of any incentive securities);

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(e) any member of the Bidder Group issues, or agrees to issue, securities convertible into or exchangeable for shares or debt securities or enters into any new debt facility, or amends or extends the terms of any existing debt facility;

(f) the constitution of the Bidder is amended, repealed or replaced (other than in accordance with section 648G of the Corporations Act);

(g) any member of the Bidder Group disposes, or agrees to dispose, of the whole or a substantial part of the Bidder Group's business or property;

(h) any member of the Bidder Group ceases, or threatens to cease, the whole or a material part of the business of the Bidder Group;

(i) any member of the Bidder Group creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or property; or

(j) an Insolvency Event occurs in relation to the Bidder or any member of the Bidder Group,

provided that a Bidder Prescribed Event shall not include:

(k) a Bidder Capital Raising;

(l) a shortfall offer of up to 74,946,591 Bidder Shares as described in the Bidder's ASX announcement of 3 December 2024;

(m) any issue of Bidder Shares or convertible securities in connection with the arrangements described in clause 3.1(a);

(n) the issue of up to 6,000,000 Bidder Shares in satisfaction of fees owed pursuant to the consultancy agreement with Whittle Consulting Pty Ltd dated 12 November 2024, as described in the Bidder's ASX announcement of 31 January 2025;

(o) any wholly intra group transaction between members of the Bidder Group; or

(p) any event, change or circumstance:

(i) expressly permitted or expressly required by, this document or the Scheme;

(ii) reasonably required by an applicable law or Governmental Agency;

(iii) fairly disclosed in the Bidder Disclosure Materials or Bidder Historical Announcements; or

(iv) in relation to which the Target has consented in writing.

**Bidder Registry** means Automic Group.

**Bidder Scheme Booklet Information** means all information in the Scheme Booklet (or in any update to the Scheme Booklet released by the Target) regarding any member of the Bidder Group or the Merged Group provided or prepared by or on behalf of the Bidder.

**Bidder Share** means a fully paid ordinary share in the Bidder.

**Bidder Shareholder** means a person who is recorded in the register of members of the Bidder as the holder of Bidder Shares.

**Bidder Tenements** means the tenements comprising the Bidder's projects, namely:

(a) the tenements referred to in Item 1 of Schedule 1; and

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(b) any other exploration or mining tenement(s) which may be granted in lieu of or relate to the same ground as the tenements referred to in paragraph (a).

**Bidder Warranty** means each representation and warranty set out in clause 8.2.

**Board** means, in respect of a body corporate, the board of directors of that body corporate in place from time to time.

**Business Day** has the meaning given in the ASX Listing Rules.

**CoC Contract** means an arrangement, agreement or understanding that the parties agree in writing to be a CoC Contract.

**Competing Proposal** means any transaction or arrangement, or any proposal, offer or expression of interest in relation to a transaction or arrangement, pursuant to which:

(a) any Third Party (either alone or together with any Associate) would, if the transaction or arrangement is entered into or completed:

(i) directly or indirectly acquire or become, or obtain the right to acquire or become, the holder of a legal, beneficial and/or economic interest in, or control of, all or a substantial part of the business or assets of the Target Group or the Bidder Group (as applicable) (each taken as a whole);

(ii) directly or indirectly acquire a Relevant Interest in, or otherwise acquire or have a right to acquire a legal, beneficial and/or economic interest in, more than 50% of the Target Shares on issue (or the shares on issue in a material Subsidiary of the Target) or the Bidder Shares on issue (or the shares on issue in a material Subsidiary of the Bidder) (each including by way of an equity swap, contract for difference or similar transaction or arrangement); or

(iii) acquire or obtain the right to acquire control of a party within the meaning of section 50AA of the Corporations Act or otherwise acquire or merge with a party or a material member of the Target Group or the Bidder Group (as applicable); or

(b) a party would be required to not proceed with the Scheme or as a result of which the Scheme otherwise would not proceed,

in each case, whether by way of takeover bid, scheme of arrangement, shareholder approved transaction, capital reduction or buy-back, sale or purchase of shares, other securities or assets, assignment of assets, transfer of liabilities, incorporated or unincorporated joint venture, dual-listed company structure (or other synthetic merger), deed of company arrangement, any debt for equity recapitalisation or other transaction or arrangement.

Each successive material modification or variation of a Competing Proposal will constitute a new Competing Proposal.

**Confidentiality Deed** means the Confidentiality and Exclusivity Deed between the Bidder and the Target dated 23 January 2025, in force as at the date of this document.

**Consideration Share** means a Bidder Share issued as Scheme Consideration.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Corporations Regulations** means the *Corporations Regulations 2001* (Cth).

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**Court** means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act as agreed by the Target and the Bidder in writing.

**DD Cut-off Time** means 5pm on the Business Day before the date of this document.

**Deed Poll** means a deed poll substantially in the form of Annexure 2 (or in such other form as is agreed between the Target and the Bidder).

**Effective** means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) in relation to the Scheme.

**Effective Date** means the date upon which the Scheme becomes Effective.

**Encumbrance** means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

**End Date** means six months after the date of this document or such other date as the Target and the Bidder agree in writing.

**Exchange Ratio** has the meaning specified in the definition of "Scheme Consideration".

**Exclusivity Fee** means the sum of $25,000.

**Exclusivity Period** means the period commencing on the date of this document and ending on the earlier of:

(a) the termination of this document in accordance with its terms;

(b) the End Date; and

(c) the Implementation Date.

**First Court Date** means the first day on which the application made to the Court for orders under section 411(1) of the Corporations Act convening the Scheme Meeting is, or is to be, heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard.

**Governmental Agency** means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in any jurisdiction. It includes ASIC, ASX (and any other securities exchange) and the Takeovers Panel and any self-regulatory organisation established under statute.

**Implementation** means the implementation of the Scheme in accordance with its terms following it becoming Effective.

**Implementation Date** means the fifth Business Day following the Record Date or such other date as is agreed by the Target and Bidder in writing.

**Independent Expert** means such person as the Target appoints to prepare the Independent Expert's Report in accordance with clause 5.1(b).

**Independent Expert's Report** means a report that accompanies the Scheme Booklet by the Independent Expert stating whether or not in its opinion the Scheme is in the best interests of the Target Shareholders and setting out reasons for that opinion, and includes any update or supplement to that report.

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**Ineligible Overseas Shareholder** means a Scheme Shareholder whose address shown in the Target Register on the Record Date is a place outside Australia and its external territories and New Zealand, unless the Bidder determines (acting reasonably) that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with Consideration Shares when the Scheme becomes Effective.

**Insolvency Event** means, for a person:

(a) being in liquidation or provisional liquidation or administration;

(b) having a controller or analogous person appointed to it or any of its property,

(c) an application being made to a court to appoint a controller, provisional liquidator, trustee for creditors or in bankruptcy or analogous person to the person or any of the person's property (or such an application being granted);

(d) the holder of an Encumbrance, or any agent on its behalf, appointing a controller or taking possession of any of the person's property;

(e) an application being made to a court for an order for its winding up (or such an order being made) or its dissolution or deregistration;

(f) being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand;

(g) being unable to pay its debts when they fall due or otherwise insolvent;

(h) becoming an insolvent under administration, or entering into a compromise or arrangement with, or assignment for the benefit of, any of its creditors; or

(i) anything analogous to any of the foregoing events under the laws of any jurisdiction other than Australia.

**Loan Facility Agreement** means the loan facility agreement between the parties dated on or about the date of this document.

**Losses** means all claims, demands, damages, losses, costs, expenses and liabilities.

**Merged Group** means the combination of the Bidder Group and the Target Group, as comprised by Bidder and its Subsidiaries following implementation of the Scheme.

**Officer** means, in relation to an entity, any director, company secretary or employee of that entity.

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**Record Date** means 7pm (Sydney time) on the fifth Business Day following the Effective Date or such other date as the Target and the Bidder agree in writing.

**Regulator's Draft** means the draft of the Scheme Booklet provided, or to be provided, to ASIC pursuant to section 411(2) of the Corporations Act.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Relevant Governmental Agency** has the meaning in clause 3.4(a) but excludes the Court.

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act.

**Representative** means, in relation to a party:

(a) a Related Body Corporate of the party; or

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(b) an Officer of the party or any of the party's Related Bodies Corporate; or

(c) an adviser, consultant, agent or representative of the party or any of the party's Related Bodies Corporate.

**Sale Agent** has the meaning given in clause 4.4(a).

**Scheme** means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between the Target and the Scheme Shareholders substantially in the form of Annexure 1, subject to any alterations or conditions (whether proposed by a party or made or required by the Court) which are agreed in writing by the Target and the Bidder.

**Scheme Booklet** means the explanatory statement in relation to the Transaction to be despatched by the Target to Target Shareholders, and which includes, amongst other things, the Scheme and an explanatory statement under section 412 of the Corporations Act.

**Scheme Consideration** means the consideration to be provided or procured by the Bidder to Scheme Shareholders in consideration for the transfer of the Scheme Shares held by Scheme Shareholders to the Bidder, being 7.4 Consideration Shares per Scheme Share (the **Exchange Ratio**).

**Scheme Meeting** means the meeting(s) of the Target Shareholders (or any class of them) to be ordered by the Court to be convened pursuant to section 411(1) of the Corporations Act in respect of the Scheme.

**Scheme Share** means a Target Share on issue as at the Record Date.

**Scheme Shareholder** means a Target Shareholder as at the Record Date.

**Second Court Date** means the first day on which the application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is, or is to be, heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard.

**Subsidiary** has the meaning given in the Corporations Act.

**Superior Proposal** means a bona fide Unsolicited Competing Proposal, in respect of the Target Group or the Bidder Group, which the Board of the Target (in the case of the Target Group) or the Board of the Bidder (in the case of the Bidder Group) determines, acting in good faith and in order to satisfy what its constituent directors consider to be their fiduciary or statutory duties (and after consulting with their financial advisers and having taken written advice from their legal advisers):

(a) is reasonably capable of being valued and consummated substantially in accordance with its terms within a reasonable timeframe; and

(b) would, if consummated substantially in accordance with its terms, result in a transaction more favourable to the Target Shareholders or the Bidder Shareholders (as applicable) (as a whole) than the Scheme,

taking into account all material terms, conditions and other aspects of the Competing Proposal and the Transaction and any other relevant factors; including the identity, reputation and financial condition of the person making the proposal (and its relevant Associates) and all relevant legal, regulatory and financial matters including the value and type of consideration, funding, any timing considerations, any conditions precedent and any other matters affecting the likelihood of the Competing Proposal or the Transaction (as applicable) being consummated.

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**Target Directors** means the directors of the Target from time to time.

**Target Disclosure Materials** means:

(a) the information regarding the Target Group provided to the Bidder and its Representatives by the DD Cut-off Time, an index to which is in the Agreed Form; and

(b) the written responses from the Target and its Representatives to requests for further information made by the Bidder and its Representatives, a copy of which is in the Agreed Form.

**Target Group** means the Target, Gibbous Holdings Inc (an entity incorporated in the Philippines), Crescent Mining and Development Corporation (an entity incorporated in the Philippines), IDM Mankayan Pty Ltd (ACN 652 618 758), Asean Copper Investments Limited (an entity incorporated in the British Virgin Islands) and any other Related Bodies Corporate of the Target that are not otherwise included in this definition.

**Target Historical Announcements** means the disclosures of the Target lodged with ASIC from 1 February 2024 until the DD Cut-off Time.

**Target Indemnified Party** means the Target and its Representatives.

**Target Material Adverse Change** means any event, change or circumstance, which occurs or is reasonably likely to occur on or after the date of this document, or which occurs on or before the date of this document but which only becomes known to the Bidder after the date of this document (each a **Specified Event**) that, individually or in the aggregate with other such events, changes or circumstances of a similar kind or nature, results in or would, with the lapse of time, be reasonably likely to result in a diminution in the consolidated net assets of the Target Group by at least $500,000 against what it would reasonably have been expected to be but for the Specified Event, except any such event, change or circumstance:

(a) to the extent resulting from or arising out of:

(i) any disruption to the financial markets or economic conditions of any relevant jurisdiction, including but not limited to Australia, to the extent that such disruption has not had a disproportionate effect on the Target Group relative to other participants in the same industry;

(ii) any change in accounting standards, principles or interpretations in any jurisdiction;

(iii) any adoption, implementation or change in generally applicable law or policy or any interpretation of generally applicable law or policy by any Governmental Agency (including in relation to any Tax);

(iv) any change in global, national or regional political conditions (including the outbreak of war (whether declared or not) or acts of terrorism or civil unrest) to the extent that such change has not had a disproportionate effect on the Target Group relative to other participants in the same industry;

(v) any climatic or other natural event or condition (including any weather conditions and any natural disaster) or other act of God, to the extent that such event has not had a disproportionate effect on the Target Group relative to other participants in the same industry; or

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(vi) the execution, announcement or performance of this document or the implementation of the Scheme or the consummation of any transaction expressly required or expressly permitted by this document or the Scheme;

(b) fairly disclosed in the Target Disclosure Materials; or

(c) in relation to which any member of the Bidder Group has consented in writing.

**Target Material Contract** means:

(a) the Mineral Production Sharing Agreement No. 057-96-CAR between the Philippine Government (represented by the Department of Environment and Natural Resources) and Crescent Mining and Development Corporation dated 12 November 1996 and renewal order dated 4 March 2022;

(b) the Share Sale Agreement between MMJV Pte. Ltd and IDM Mankayan Pty Ltd dated 6 September 2021;

(c) the Share Option Agreement between Bezant Holdings Inc (subsequently renamed, "Gibbous Holdings Inc") and Asean Copper Investments Limited dated 1 June 2022;

(d) the Memorandum of Agreement between the Indigenous Cultural Communities/Indigenous Peoples of the Ancestral Domain of Mankayan, Crescent Mining and Development Corporation and the National Commission on Indigenous Peoples dated 18 December 2024; and

(e) any other arrangement, agreement or understanding that the parties agree in writing to be a Target Material Contract.

**Target Option Cancellation Deed** means a deed between the Bidder, the Target and each holder of Target Options in the form agreed between the Target and the Bidder (in each case conditional on the Scheme becoming Effective and on all holders of Target Options entering into equivalent deeds before the Second Court Date) under which the holder of Target Options will agree to the cancellation of the Target Options for the following consideration (unless otherwise agreed with holders of Target Options):

(a) each IDMUOPT2 Target Option (with an exercise price of $0.20 per option expiring on 14 February 2026) will be cancelled in exchange for 7.4 Bidder options with an exercise price of $0.03 expiring on 14 February 2026;

(b) each IDMUOPT4 Target Option (with an exercise price of $0.40 per option expiring on 1 November 2026) will be cancelled in exchange for 7.4 Bidder options with an exercise price of $0.06 expiring on 1 November 2026; and

(c) each IDMUOPT5 Target Option (with an exercise price of $0.40 per option expiring on 5 February 2029) will be cancelled in exchange for 7.4 Bidder options with an exercise price of $0.06 expiring on 5 February 2029.

**Target Options** means:

(a) 3,800,000 IDMUOPT2 Target options with an exercise price of $0.20 per option expiring on 14 February 2026;

(b) 6,245,000 IDMUOPT4 Target options with an exercise price of $0.40 per option expiring on 1 November 2026; and

(c) 1,250,000 IDMUOPT5 Target options with an exercise price of $0.40 per option expiring on 5 February 2029.

**Target Prescribed Event** means any of the following:

(a) the Target converts all or any of its shares into a larger or smaller number of shares;

(b) any member of the Target Group reclassifies, splits, combines, redeems or buys back directly or indirectly any of its shares, agrees to do any of the foregoing, or resolves to reduce its share capital in any way;

(c) the Target declares or determines to pay any dividend or pays, makes or incurs any liability to pay any distribution whether by way of dividend, capital distribution, bonus or other share of its profits or assets to its members;

(d) any member of the Target Group issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option (other than issues of shares or other securities on conversion of any existing securities or convertible notes or on vesting of any incentive securities or in repayment under the Loan Facility Agreement);

(e) any member of the Target Group issues, or agrees to issue, securities convertible into or exchangeable for shares or debt securities or enters into any new debt facility, or amends or extends the terms of any existing debt facility (other than the Loan Facility Agreement);

(f) the constitution of the Target is amended, repealed or replaced (other than in accordance with section 648G of the Corporations Act);

(g) any member of the Target Group disposes, or agrees to dispose, of the whole or a substantial part of the Target Group's business or property;

(h) any member of the Target Group ceases, or threatens to cease, the whole or a material part of the business of the Target Group;

(i) any member of the Target Group creates, or agrees to create, any Encumbrance over the whole or a substantial part of its business or property;

(j) an Insolvency Event occurs in relation to the Target or any member of the Target Group;

(k) any Target Group Member creates any new security-based (or phantom security-based) incentive plan or scheme, or there is a modification to the terms of such a plan or scheme (or any incentive rights granted under them); or

(l) the terms of any other securities issued by a Target Group Member are modified,

provided that a Target Prescribed Event shall not include:

(m) any wholly intra group transaction between members of the Target Group;

(n) any event, change or circumstance:

(i) expressly permitted or expressly required by, this document or the Scheme;

(ii) reasonably required by an applicable law or Governmental Agency;

(iii) fairly disclosed in the Target Disclosure Materials or Target Historical Announcements;

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(iv) relating to any loan or other financial accommodation provided by the Bidder Group to the Target Group, including the Loan Facility Agreement, or any Encumbrance in connection with such loan; or

(v) in relation to which any member of the Bidder Group has consented in writing.

**Target Register** means the register of members of the Target.

**Target Scheme Booklet Information** means information included in the Scheme Booklet (or in any update or supplement to the Scheme Booklet released by the Target) other than:

(a) the Bidder Scheme Booklet Information;

(b) the Independent Expert's Report; and

(c) (if applicable) any statement of the tax consequences of the Scheme and associated matters for the Target Shareholders on the letterhead of the Target's tax advisers as may be included in the Scheme Booklet.

**Target Share** means a fully paid ordinary share in the Target.

**Target Shareholder** means a person who is recorded in the Target Register as the holder of the Target Shares.

**Target Warranty** means each representation and warranty set out in clause 8.1.

**Tax** means any tax, levy, impost, charge, duty (including stamp and transaction duties) or similar liability paid, payable or assessed as being payable by any Governmental Agency together with any fines, penalties and interest in connection with them.

**Tax Act** means the *Income Tax Assessment Act 1997* (Cth), the *Income Tax Assessment Act 1936* (Cth) and/or the Taxation Administration Act (as the context requires).

**Taxation Administration Act** means the *Taxation Administration Act 1953* (Cth).

**Third Party** means:

(a) in relation to the Target, a person other than a member of the Target Group; and

(b) in relation to the Bidder, a person other than a member of the Bidder Group.

**Timetable** means the indicative timetable for the implementation of the Transaction, as set out in Schedule 2.

**Transaction** means the acquisition of the Scheme Shares by Bidder through implementation of the Scheme in accordance with the terms of this document.

**Unsolicited Competing Proposal** means any bona fide approach by a Third Party in respect of a Competing Proposal not solicited in breach of clause 9.2 (and for this purpose, any actions by the Representatives of the Target or the Bidder (as the context requires) not permitted by clause 9 will be deemed to be a breach by that party).

**Warranty Claim** means any claim arising out of a breach of a Target Warranty or Bidder Warranty (as applicable).

### *1.2 Interpretation*

In this document, the following rules of interpretation apply unless a contrary intention appears.

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(a) Any heading, index, table of contents or marginal note is for convenience only and does not affect the interpretation of this document.

(b) The singular includes the plural and vice versa.

(c) A person includes an individual, body corporate, firm, partnership, joint venture, unincorporated body and Governmental Agency.

(d) A reference to:

(i) a person includes that person's successors, permitted substitutes and permitted assigns;

(ii) a clause, schedule, attachment, annexure or exhibit is to a clause of, or a schedule, attachment, annexure or exhibit to, this document;

(iii) this document or another document includes that document as amended, varied, supplemented, novated or replaced from time to time and any schedule, attachment, annexure or exhibit to that document;

(iv) "agreement" includes an undertaking, deed, contract or other legally enforceable arrangement, whether or not in writing, and a reference to "document" includes an agreement (as so defined) in writing or any certificate, notice, instrument or other document of any kind;

(v) "law" includes the common law, principles of equity and legislation (including regulations, orders and instruments issued under legislation);

(vi) legislation or a provision of legislation includes all regulations, orders or instruments issued under that legislation or provision and any modification, consolidation, amendment, re-enactment, replacement or codification of such legislation or provision;

(vii) "include", "including" and "for example", and similar expressions, when introducing an item or a list of items, does not limit the meaning of the introductory wording to those items or to items of a similar kind;

(viii) dollars or $ is to Australian dollars;

(ix) time is to the time in Perth, Western Australia; and

(x) "fairly disclosed" in relation to a matter is to such matter being disclosed in sufficient detail to enable a reasonable person experienced in transactions such as this Transaction and the industry in which the Bidder Group and the Target Group operate to identify the nature and scope of the relevant matter (including, in each case, that the potential financial effect of the relevant matter, event or circumstance was reasonably ascertainable from the information disclosed).

(e) Where a word or expression is defined or given meaning, another grammatical form has a corresponding meaning.

(f) A provision of this document must not be construed to the disadvantage of a party merely because that party was responsible for the preparation of this document or the inclusion of the provision in this document.

(g) A period of time expressed to commence:

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(i) before or after a given day, or before or after the day of an act or event, is to be calculated exclusive of that day; and

(ii) on a given day, or on the day of an act or event, is to be calculated inclusive of that day.

(h) Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the previous Business Day.

### *1.3 Reasonable endeavours*

Unless expressly provided for in this document, any provision of this document that requires a party to use its best endeavours, reasonable endeavours or all reasonable endeavours, or to take all steps reasonably necessary, to ensure that something is performed or occurs, or does not occur, does not include any obligation:

(a) to pay any money or to provide any financial compensation, valuable consideration or any other incentive to or for the benefit of any person:

(i) in the form of an inducement or consideration to a Third Party; or

(ii) in circumstances that are commercially onerous or unreasonable in the context of the parties' intention to implement the Transaction on the terms of this document,

other than the payment of any applicable lodgement, filing or application fee to any Government Agency or immaterial expenses or costs (including costs of advisers);

(b) to agree to terms that, in the context of the parties' intention to implement the Transaction on the terms of this document, are commercially onerous or unreasonable;

(c) to commence any legal action or proceeding against any person (other than in respect of the parties' obligation to use reasonable endeavours to procure that the Condition Precedent in clause 3.1(e) is satisfied); or

(d) for the avoidance of doubt, to procure absolutely that that thing is performed or occurs, or does not occur.

## 2 Agreement to propose and implement

### *2.1 Target to propose Scheme*

The Target agrees to propose the Scheme on and subject to the terms of this document.

### *2.2 Parties to implement Scheme*

The parties agree to implement the Scheme on the terms and conditions of this document.

## 3 Conditions precedent

### *3.1 Conditions precedent*

Subject to this clause 3, the obligations of the parties to complete the Implementation of the Scheme do not become binding, and the Scheme will not become Effective, unless each of the following conditions precedent is satisfied or is waived in accordance with clause 3.2:

| Condition | | Right to benefit & waive | Responsibility |
|---|---|---|---|
| (a) | (**Target Option Cancellation Deeds**); before 5pm on the Business Day before the Second Court Hearing, the Bidder and Target having entered into a Target Option Cancellation Deed with each holder of Target Options; | Both parties | Both parties |
| (b) | (**ASIC and ASX**) before 5pm on the Business Day before the Second Court Hearing, ASIC and ASX issue or provide all relief, waivers, confirmations, exemptions, consents or approvals, and do all other acts, which the Target and the Bidder (each acting reasonably) agree in writing are reasonably necessary or desirable to implement the Scheme on terms acceptable to the Bidder (acting reasonably) and such relief, waivers, confirmations, exemptions, consents, approvals or other acts (as the case may be) remain in full force and effect in all respects and have not been withdrawn, revoked, suspended, restricted or amended (or become subject to any notice, intimation or indication of intention to do any such thing) before 8am on the Second Court Date; | Both parties | In each instance, the party legally capable of obtaining it |
| (c) | (**Target Shareholder approval of Scheme**) at the Scheme Meeting, the Target Shareholders approve the Scheme by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act (having regard to any order made under section 411(4)(a)(ii)(A)); | None | Target |
| (d) | (**Bidder Shareholder approval of Scheme**) the Bidder Shareholders approve the issue of the Consideration Shares and the Bidder options to be issued pursuant to the Target Option Cancellation Deeds, for the purposes of ASX Listing Rule 7.1; | None | Bidder |
| (e) | (**Court approval**) the Court makes orders under section 411(4)(b) of the Corporations Act approving the Scheme; | None | Target |
| (f) | (**No restraints**) as at 8am on the Second Court Date, no Governmental Agency has issued or taken steps to issue an order, temporary restraining order, preliminary or permanent injunction, decree or ruling, or taken any action enjoining, restraining or otherwise imposing a legal restraint or prohibition preventing the | Both parties | Both parties |

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| | Condition | Right to benefit & waive | Responsibility |
|---|---|---|---|
| | Transaction, and no such order, injunction, decree, ruling, other action or refusal is in effect; | | |
| (g) | (**Independent Expert**) the Independent Expert's Report concludes that the Scheme is in the best interests of the Target Shareholders on or before the date the Scheme Booklet is lodged with ASIC, and the Independent Expert does not publicly withdraw its report or change its conclusion before 8am on the Second Court Date; | Target | Target |
| (h) | (**No Bidder Prescribed Events**) no Bidder Prescribed Event occurs between the date of this document and 8am on the Second Court Date; | Target | Bidder |
| (i) | (**No Bidder Material Adverse Change**) no Bidder Material Adverse Change occurs between the date of this document and 8am on the Second Court Date; | Target | Bidder |
| (j) | (**Bidder Warranties**) the representations and warranties of the Bidder set out in clause 8.2 of this document are true and correct in all material respects (taken in the context of the Scheme as a whole) as at the times at which they are expressed to be given; | Target | Bidder |
| (k) | (**No Target Prescribed Events**) no Target Prescribed Event occurs between the date of this document and 8am on the Second Court Date; | Bidder | Target |
| (l) | (**No Target Material Adverse Change**) no Target Material Adverse Change occurs between the date of this document and 8am on the Second Court Date; | Bidder | Target |
| (m) | (**Target Warranties**) the representations and warranties of the Target set out in clause 8.1 of this document are true and correct in all material respects (taken in the context of the Scheme as a whole) as at the times at which they are expressed to be given; | Bidder | Target |
| (n) | (**CoC Contracts**) on or before 8am on the Second Court Date, the Target has received (and provided to the Bidder) a copy of each consent or waiver required under the CoC Contracts to the change of control of the Target resulting from the Scheme on terms acceptable to the Bidder, and such consents, waivers and | Bidder | Target |

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| Condition | | Right to benefit & waive | Responsibility |
|---|---|---|---|
| | confirmations have not been withdrawn, suspended or revoked; and | | |
| (o) | (**Third Party approvals**) all other approvals, consents or agreement of a Third Party which the Bidder and the Target (both acting reasonably) agree are necessary or desireable to implement the Scheme). | Both parties | Both parties |

***3.2 Benefit and waiver of conditions precedent***

(a) The conditions precedent may only be waived in writing by the party or parties entitled to the benefit of that condition precedent (if any) specified in clause 3.1 and the waiver will be effective only to the extent specifically set out in the waiver.

(b) A condition specified as being for the benefit of both parties can only be waived by both parties acting jointly.

(c) Subject to clause 3.2(b), a party entitled to waive a condition precedent pursuant to this clause 3.2 may do so in its absolute discretion and may do so before the condition precedent is to be satisfied.

(d) If a party waives a condition precedent in accordance with this clause 3.2, that waiver will not preclude it from suing the other party for any breach of this document constituted by the event which gave rise (or which would, but for the waiver, give rise) to the breach or non-fulfilment of the condition precedent the subject of the waiver.

(e) A waiver of one condition precedent does not constitute:

(i) a waiver of any other condition precedent resulting from the same events or circumstances; or

(ii) a waiver of that condition precedent resulting from any other events or circumstances.

***3.3 Reasonable endeavours and notification***

(a) Without prejudice to any other obligations of the parties under this document, but subject to the other provisions of this document, each of the parties agrees to use all reasonable endeavours to procure that:

(i) each of the conditions precedent for which it is responsible (as noted in clause 3.1):

(A) is satisfied as soon as practicable after the date of this document; and

(B) continues to be satisfied at all times until the last time it is to be satisfied (as the case may require); and

(ii) there is no occurrence that would prevent a condition precedent (for which it is responsible) from being satisfied.

(b) The parties must:

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(i) promptly inform each other of a failure to satisfy a condition precedent or of any circumstance which may result in any of the conditions precedent not being satisfied or not being capable of being satisfied;

(ii) promptly inform each other of the happening of any fact, matter, change, event, circumstance or occurrence that does, will or would reasonably be likely to prevent a condition precedent from being satisfied or mean that any condition precedent will not otherwise be satisfied before the End Date;

(iii) promptly advise each other in writing of the satisfaction of a condition precedent;

(iv) each give the Court on the Second Court Date a certificate (or such other evidence as the Court may request) confirming (in respect of matters within its own knowledge) whether or not all of the conditions precedent in clause 3.1 (other than the condition precedent in clause 3.1(e)) have been satisfied or waived in accordance with this document; and

(v) give each other a draft of the certificate or other evidence to be provided by it under clause 3.3(b)(iv) by 5pm on the day that is two Business Days prior to the Second Court Date, and must provide to each other on the Second Court Date a copy of the final certificate or other evidence provided to the Court.

### *3.4 Communications regarding regulatory approvals*

To the extent permitted by law and each party's respective legal obligations and without limiting clause 3.3:

(a) as soon as practicable after the date of this document, the parties must cooperate in good faith to develop a plan for communications with Governmental Agencies that are required to be approached for the purpose of procuring the satisfaction of any condition precedent (each a **Relevant Governmental Agency**);

(b) each party must provide any Relevant Governmental Agency with all information reasonably required by the Relevant Governmental Agency in connection with the Scheme;

(c) each party:

(i) subject to the requirements of the Relevant Governmental Agency, shall have the right to be present and make submissions at or in relation to any proposed meeting by the other party or its advisers with a Relevant Governmental Agency in relation to the Scheme (except to the extent that such meeting involves the discussion of commercially sensitive information); and

(ii) must promptly provide copies to the other parties of any written communication sent to or received from a Relevant Governmental Agency in connection with the Scheme (except to the extent that such written communication contains commercially sensitive information of the party in correspondence with the Relevant Governmental Agency); and

(d) notwithstanding any other provision of this document, for the purposes of obtaining any approval of a Relevant Governmental Agency, none of the parties is required to agree to any conditions or to provide or to agree to provide any written

undertakings to a Relevant Governmental Agency which are not reasonably acceptable to that party.

### *3.5 Condition precedent not satisfied or waived*

(a) If:

(i) any condition precedent has not been fulfilled or waived in accordance with clause 3.2 by the time or date specified in clause 3.1 for satisfaction of the condition precedent; or

(ii) there is an act, omission, event, occurrence or circumstance which will prevent a condition precedent from being satisfied by the time or date specified in clause 3.1 for its satisfaction or, if no time or date is specified, by the End Date (and the non-fulfilment of the condition precedent which would otherwise occur has not already been waived in accordance with this document),

either the Bidder or the Target may serve notice on the other of them and then the Target and the Bidder will consult in good faith with a view to determining whether:

(iii) the Scheme may proceed by way of alternative means or methods;

(iv) to extend the relevant time or date for satisfaction of the condition precedent;

(v) to adjourn or change the date of an application to the Court;

(vi) to apply to the Court to postpone or adjourn the Scheme Meeting; or

(vii) to extend the End Date.

(b) If the Target and the Bidder are unable to reach agreement under clause 3.5(a) within five Business Days following the delivery of the notice (or any shorter period ending at 5pm on the day before the Second Court Date), either of them may terminate this document by notice in writing to the other, provided that:

(i) there has been no failure by that party to comply with its obligations under this document, where that failure directly and materially contributed to the condition precedent to which the notice relates becoming incapable of satisfaction, or being breached or not fulfilled before the End Date; and

(ii) the relevant condition precedent is for its benefit (whether solely or jointly with the other party party) or is expressed as not being for the benefit of either party.

## 4 Scheme

### *4.1 Outline of Scheme*

Subject to the terms and conditions of this document, the Target must propose and implement the Scheme, under which, on the Implementation Date, all of the Scheme Shares will be transferred to the Bidder and the Scheme Shareholders will be entitled to receive the Scheme Consideration.

### *4.2 No amendment to the Scheme without consent*

The Target must not consent to any modification of, or amendment to, or the making or imposition by the Court of any condition in respect of, the Scheme without the prior written

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consent of the Bidder, such consent not to be unreasonably withheld, delayed or conditioned.

### *4.3 Scheme Consideration*

Subject to the Scheme becoming Effective, the Bidder undertakes to the Target that, in consideration of the transfer of each of the Scheme Shares held by Scheme Shareholders to the Bidder under the Scheme, it will accept the transfer and provide the Scheme Consideration in accordance with the Scheme.

### *4.4 Ineligible Overseas Shareholders*

(a) Where an Ineligible Overseas Shareholder would otherwise be entitled to receive Consideration Shares, the Bidder has no obligation to issue any Consideration Shares to the Shareholder and the Bidder must instead issue such Consideration Shares to a nominee appointed by the Bidder after consultation with the Target (and approved by ASIC if required) (**Sale Agent**) to be dealt with in accordance with the terms of the Scheme.

(b) The Bidder must appoint the Sale Agent at least five Business Days before the Scheme Meeting.

(c) The terms of appointment of the Sale Agent must provide for the Sale Agent to sell the Consideration Shares issued to the Sale Agent in accordance with the terms of the Scheme.

### *4.5 Fractional entitlements*

Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a Consideration Share, the fractional entitlement will be rounded up or down to the nearest whole number of Consideration Shares, with fractions of 0.5 being rounded up.

### *4.6 Scheme Consideration*

The Bidder covenants in favour of the Target (in its own right and separately as trustee or nominee of each Scheme Shareholder) that:

(a) the Consideration Shares will, upon their issue:

(i) rank equally in all respects with all other Bidder Shares on issue at the Implementation Date; and

(ii) be validly issued, fully paid and free from any Encumbrance; and

(b) the Bidder will do everything reasonably necessary to ensure that the Consideration Shares will be quoted on ASX and commence trading on a normal settlement basis no later than the first trading day (as defined in the ASX Listing Rules) following the Implementation Date.

### *4.7 Target Share information*

(a) The Target must provide to the Bidder or a nominee of the Bidder, or procure the provision of, a complete copy of the Target Register as at the Record Date (which must include the name, registered address and registered holding of each Scheme Shareholder at the Record Date), within one Business Day after the Record Date.

(b) The details and information provided under clause 4.7(a) must be provided in such form as the Bidder, its nominee or the Bidder Registry may reasonably require.

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# 5 Implementation of the Scheme

## *5.1 Target's obligations*

The Target must take all reasonably necessary steps to propose and implement the Scheme as soon as is reasonably practicable and use all reasonable endeavours to do so in accordance with the Timetable, including taking each of the following steps:

(a) (**Agreed Announcement**) make the Agreed Announcement in accordance with clause 11.1;

(b) (**Independent Expert**) promptly appoint the Independent Expert and provide all assistance and information reasonably requested by the Independent Expert to enable it to finalise the Independent Expert's Report on a timely basis;

(c) (**preparation of Scheme Booklet**)

(i) prepare the Scheme Booklet in accordance with the requirements of the Corporations Act, Corporations Regulations, the ASX Listing Rules, all ASIC Regulatory Guides (including ASIC Regulatory Guide 60) and applicable Takeovers Panel guidance notes applicable to members' schemes of arrangement under Part 5.1 of the Corporations Act;

(ii) make available to the Bidder successive drafts of the Scheme Booklet (including any draft of a report by the Independent Expert but excluding those sections containing the Independent Expert's opinions or conclusions) with a final draft no later than one Business Day prior to lodgement with ASIC for review and consult with the Bidder in relation to the content of those drafts, and consider in good faith, comments from the Bidder and its advisers on those drafts received on a timely basis; and

(iii) obtain written consent from the Bidder for the form and content in which the Bidder Scheme Booklet Information appears in the Scheme Booklet;

(d) (**lodgement of draft Scheme Booklet with ASIC**) as soon as reasonably practicable, but by no later than 14 days before the First Court Date, provide the Regulator's Draft to ASIC for its review and approval for the purposes of section 411(2) of the Corporations Act and provide a copy of the Regulator's Draft to the Bidder as soon as practicable thereafter, and liaise with ASIC during the ASIC Review Period;

(e) (**ASIC review of Scheme Booklet**) keep the Bidder promptly informed of any material matters raised by ASIC in relation to the Scheme Booklet or the Transaction (and any resolution of those matters), and use reasonable endeavours, with the cooperation of the Bidder, to resolve any such matters;

(f) (**ASIC indication of intent**) apply to ASIC for a letter indicating whether it intends to appear before the Court on the First Court Date;

(g) (**Court direction**) apply to the Court for orders under section 411(1) of the Corporations Act directing the Target to convene the Scheme Meeting;

(h) (**Court documents**) promptly prepare all documents necessary for the Court proceedings (including any appeals) relating to the Scheme (including originating process, affidavits, submissions and draft minutes of Court orders) in accordance with all applicable laws, and provide the Bidder with drafts of those documents for

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review and (acting reasonably and in good faith) take into account, for the purpose of amending those drafts, any comments from the Bidder and its Representatives on those drafts;

(i) (**despatch Scheme Booklet**) promptly after, and provided that, the orders in clause 5.1(g) have been received, request ASIC to register the explanatory statement included in the Scheme Booklet in relation to the Scheme in accordance with section 412(6) of the Corporations Act and then despatch a copy of the Scheme Booklet to each Target Shareholder and to all other persons entitled to receive notice of the Scheme Meeting;

(j) (**updates to Scheme Booklet**) if, after the Scheme Booklet has been sent to Target Shareholders, the Target becomes aware of information that is (or becomes aware that information of which it was already aware is):

(i) not included in the Scheme Booklet and is material for disclosure to Target Shareholders in deciding whether to approve the Scheme or required to be disclosed to Target Shareholders under any applicable law; or

(ii) false, misleading or deceptive in a material respect in the form and context in which it appears in the Scheme Booklet,

inform Target Shareholders of the information in an appropriate and timely manner, in accordance with applicable law (but in respect of the Bidder Scheme Booklet Information, only to the extent that the Bidder provides the Target with updates to the Bidder Scheme Booklet Information). The Target must consult with the Bidder as to the content of any supplementary disclosure before it is made to Target Shareholders in accordance with clause 5.1(c);

(k) (**Scheme Meeting**) convene the Scheme Meeting in accordance with the Court order and must not adjourn or postpone the Scheme Meeting or request the Court to adjourn or postpone the Scheme Meeting in either case without obtaining the prior written approval of the Bidder (such approval not to be unreasonably withheld, delayed or conditioned);

(l) (**section 411(17)(b) statement**) apply to ASIC for the production of a statement pursuant to section 411(17)(b) of the Corporations Act stating that ASIC has no objection to the Scheme;

(m) (**Court approval**) apply to the Court for an order approving the Scheme in accordance with section 411(4)(b) and, if applicable, section 411(6) of the Corporations Act;

(n) (**lodge copy of Court order**) lodge with ASIC an office copy of the orders approving the Scheme in accordance with section 411(10) of the Corporations Act by no later than 5pm on the first Business Day after the date on which the Court makes the order (or such later date as agreed in writing by Bidder);

(o) (**Target Register**) promptly provide to the Bidder a copy of the Target Register as requested by the Bidder from time to time in electronic form as reasonably requested by Bidder;

(p) (**implementation**)

(i) if the Scheme becomes Effective, close the Target Register as at the Record Date and determine who are Scheme Shareholders and their

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entitlements to the Scheme Consideration as at the Record Date in accordance with the Scheme and Deed Poll;

(ii) subject to the Scheme becoming Effective and Bidder satisfying its obligations under clause 4.3, execute proper instruments of transfer of, and register all transfers of, the Scheme Shares to the Bidder on the Implementation Date; and

(iii) promptly do all other things contemplated by, or necessary to lawfully give effect to, the Scheme and the orders of the Court approving the Scheme;

(q) (**promotion**) subject to the proper performance by the Target Directors of their fiduciary and statutory duties and provided that nothing in this paragraph requires the provision by the Target or its Representatives of any information in breach of any obligation of confidentiality or any law, during the period from the date of this document to the Implementation Date, the Target will promote the merits of the Scheme, including:

(i) through communications with the Target Shareholders; or

(ii) holding meetings between Representatives of the Bidder and key Target Shareholders at the reasonable request of the Bidder;

(r) (**registration of Scheme Booklet**) take all reasonable measures within its control to cause ASIC to register the Scheme Booklet under subsection 412(6) of the Corporations Act;

(s) (**representation**)

(i) procure that it is represented by counsel at the Court hearings convened for the purposes of subsection 411(1) and paragraph 411(4)(b) of the Corporations Act; and

(ii) support any application by the Bidder for leave of the Court to be represented at such hearings;

(t) (**assistance**) up to the Implementation Date and subject to obligations of confidentiality owed to third parties (appropriate consents in relation to which the Target must use all reasonable endeavours to obtain) and undertakings to Governmental Agencies, provide the Bidder and its Representatives with reasonable access during normal business hours to information and personnel of the Target Group that the Bidder reasonably requests, including for the purpose of:

(i) collation and provision of the Bidder Scheme Booklet Information;

(ii) implementation of the Scheme;

(iii) the Bidder obtaining an understanding of the operations of the Target Group's business, financial position, prospects and affairs; and

(iv) Bidder developing and implementing plans for the carrying on of the businesses of the Target Group following implementation of the Scheme;

(u) (**compliance with laws**) use all reasonable endeavours to ensure that all applicable laws and regulations are complied with in effecting the Transaction;

(v) (**proxy solicitation**) if requested by the Bidder, undertake in consultation with the Bidder reasonable shareholder engagement and proxy solicitation actions so as to

promote the merits of the Transaction and encourage Target Shareholders to vote on the Scheme in accordance with the recommendation of the Target Directors, subject to applicable law and ASIC policy;

(w) (**proxy information**) upon request by the Bidder made prior to commencement of the Scheme Meeting, inform the Bidder of the total number of proxy votes received by the Target:

(i) to vote in favour of the Scheme;

(ii) to vote against the Scheme;

(iii) to abstain from voting on the Scheme; and

(iv) where the proxy may vote at the proxy's discretion; and

(x) (**Timetable**) keep the Bidder informed about its progress against the Timetable, and notify the Bidder if it believes that any of the dates in the Timetable are not achievable.

### *5.2 Bidder's obligations*

Subject to the terms and conditions of this document, the Bidder must take all reasonably necessary steps to assist the Target to propose and implement the Scheme as soon as is reasonably practicable and use all reasonable endeavours to do so in accordance with the Timetable, including the Bidder taking each of the following steps:

(a) (**Agreed Announcement**) make the Agreed Announcement in accordance with clause 11.1;

(b) (**preparation of Scheme Booklet**)

(i) provide to the Target such information regarding the Bidder Group as is required to ensure that the Scheme Booklet complies with the requirements of the Corporations Act, the ASX Listing Rules and all ASIC Regulatory Guides (including ASIC Regulatory Guide 60) and applicable Takeovers Panel guidance notes applicable to members' schemes of arrangement under Part 5.1 of the Corporations Act;

(ii) provide to the Target such assistance as the Target may reasonably require in order to adapt such information for inclusion in the Scheme Booklet;

(iii) provide the Target with successive drafts of the Bidder Scheme Booklet Information for inclusion in the Scheme Booklet in a timely manner with a final draft no later than two Business Days prior to lodgement with ASIC for review and, and consider in good faith, comments from the Bidder and its advisers on those drafts received on a timely basis; and

(iv) as soon as practicable after delivery, review drafts of the Scheme Booklet prepared by the Target and provide any comments on those drafts;

(c) (**Independent Expert information**) provide all assistance and information reasonably requested by the Target or by the Independent Expert in connection with the preparation of the Independent Expert's Report;

(d) (**confirmation of Bidder Scheme Booklet Information**) as soon as reasonably practicable after receipt from the Target of a proposed Regulator's Draft, either:

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(i) confirm in writing to the Target that the Bidder Scheme Booklet Information in the form and context in which it appears in the proposed Regulator's Draft is not misleading or deceptive and does not contain any material omission; or

(ii) provide the Target with the textual changes required to ensure that the proposed Regulator's Draft is not misleading or deceptive and does not contain any material omission;

(e) (**ASIC Review Period**) provide reasonable assistance to the Target in connection with resolving any matter raised by ASIC regarding the Scheme Booklet or the Scheme during the ASIC Review Period;

(f) (**lodgement of draft Scheme Booklet with ASX**) as soon as reasonably practicable, but by no later than 14 days before the First Court Date, provide the Regulator's Draft to ASX for its review and approval (if required) for the purposes of the ASX Listing Rules and keep the Target promptly informed of any material matters raised by ASX in relation to the Scheme Booklet or the Transaction (and any resolution of those matters), and use reasonable endeavours, with the cooperation of the Target where practicable, to resolve any such matters;

(g) (**updates to Scheme Booklet**) if, after the Scheme Booklet has been sent to Target Shareholders, the Bidder becomes aware of information that is (or becomes aware that information of which it was already aware is):

(i) not included in the Bidder Scheme Booklet Information and is material for disclosure to Target Shareholders in deciding whether to approve the Scheme or required to be disclosed to Target Shareholders under any applicable law; or

(ii) false, misleading or deceptive in a material respect in the form and context in which it appears in the Scheme Booklet,

the Bidder must advise the Target so that the Target can determine whether any supplementary disclosure to Target Shareholders is required in accordance with (and subject to the terms of) clause 5.1(j);

(h) (**Deed Poll**) execute the Deed Poll before 8am on the First Court Date;

(i) (**Court representation**) if requested by the Target, or if otherwise desired by the Bidder, procure that the Bidder is represented by counsel at the Court hearings convened for the purposes of sections 411(1), 411(4)(b) and 411(6) of the Corporations Act, at which, through its counsel, it will undertake (if requested by the Court) to do all such things and take all such steps within its power as may be reasonably necessary in order to ensure the fulfilment of its obligations under this document and the Scheme;

(j) (**Scheme Consideration**) if the Scheme becomes Effective, provide the Scheme Consideration in accordance with the Deed Poll and the Scheme;

(k) (**quotation**) apply to ASX for official quotation of the Consideration Shares;

(l) (**share transfer**) if the Scheme becomes Effective, accept a transfer of the Scheme Shares as contemplated by clause 4.3 and execute proper instruments of transfer of the Scheme Shares to the Bidder in accordance with the Scheme;

(m) (**other**) do all things lawfully within its power that are reasonably necessary to give effect to the Scheme and the orders of the Court approving the Scheme;

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(n) (**assistance**) up to (and including) the Implementation Date and subject to obligations of confidentiality owed to third parties and undertakings to Governmental Agencies, provide the Target and its Representatives with reasonable access during normal business hours to information and personnel of the Bidder Group that the Target reasonably requests for the purpose of preparation of the Scheme Booklet and implementation of the Transaction;

(o) (**compliance with laws**) use all reasonable endeavours to ensure that all applicable laws and regulations are complied with in effecting the Transaction; and

(p) (**Timetable**) keep the Target informed about its progress against the Timetable, and notify the Target if it believes that any of the dates in the Timetable are not achievable.

### *5.3 Responsibility*

(a) The parties acknowledge that the Scheme Booklet will contain statements to the effect that:

(i) the Target is responsible for the contents of the Scheme Booklet other than, to the maximum extent permitted by law, the Bidder Scheme Booklet Information, the Independent Expert's Report and (if applicable) any statement of the tax consequences of the Scheme and associated matters for the Target Shareholders on the letterhead of the Target's tax advisers as may be included in the Scheme Booklet. The Bidder and its directors, officers and advisers do not assume any responsibility for the accuracy or completeness of any such Target information; and

(ii) the Bidder is responsible for the Bidder Scheme Booklet Information. The Target and its directors, officers and advisors do not assume any responsibility for the accuracy or completeness of the Bidder Scheme Booklet Information.

(b) The Bidder must consent to the form and content of the Bidder Scheme Booklet Information (which consent must not be unreasonably withheld, delayed or conditioned).

### *5.4 Disagreement on content of Scheme Booklet*

If the parties disagree on the form or content of the Scheme Booklet (including any update to the Scheme Booklet), they must consult in good faith to try to settle an agreed form of the Scheme Booklet and failing agreement within five Business Days:

(a) if the disagreement relates to the form or content of the Bidder Scheme Booklet Information, the Target will make any amendments as the Bidder reasonably requires provided that, if the Target disagrees with such final form and content, the Target may include a statement to that effect in the Scheme Booklet; and

(b) if the disagreement relates to the form or content of any other part of the Scheme Booklet, the Target Directors will, acting in good faith, decide the final form or content of the disputed part of the Scheme Booklet, provided that, if the Bidder disagrees with such final form and content, the Target must include a statement to that effect in the Scheme Booklet.

### *5.5 Verification*

Each party must undertake appropriate verification processes for the information supplied by that party in the Scheme Booklet.

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### *5.6 Appeal process*

If the Court refuses to make orders convening the Scheme Meeting or approving the Scheme, the parties must appeal the Court's decision to the fullest extent possible except to the extent that:

(a) the parties agree otherwise; or

(b) an independent senior counsel advises that, in their opinion, an appeal would have no reasonable prospect of success before the End Date,

in which case either party may terminate this document in accordance with clause 10.1(f).

### *5.7 No partnership or joint venture*

Subject to this document, nothing in this clause 5 requires the Bidder to act at the direction of the Target (or vice versa). The business of each party will continue to operate independently from the other until the Implementation Date. The parties agree that nothing in this document constitutes the relationship of a partnership or a joint venture between the parties.

## 6 Target Directors' recommendations and intentions

(a) The Target must authorise and issue the Agreed Announcement as soon as reasonably practicable after the execution of this document which will include (on the basis of confirmations made to the Target by each of the Target Directors) a statement to the effect that each of the Target Directors:

(i) recommends that Target Shareholders vote in favour of the Scheme at the Scheme Meeting; and

(ii) intends to vote (or procure the voting of) all Target Shares held or controlled by the Target Director in favour of the Scheme at the Scheme Meeting,

in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Scheme is in the best interests of the Target Shareholders.

(b) The Target must use best endeavours to ensure that:

(i) the Scheme Booklet and any other key public statements made by the Target in relation to the Scheme will include a statement by the Target Directors to the effect set out in clause 6(a); and

(ii) no Target Director adversely changes or withdraws their statements referred to in clause 6(a), makes a recommendation or statement or takes any action that is inconsistent with any of them (including, for the avoidance of doubt, voting against, abstaining from voting or failing to procure that all Target Shares held or controlled by a Target Director are voted in favour of the Scheme at the Scheme Meeting).

(c) Despite clauses 3.3 and 6(b), a Target Director may change or withdraw their recommendation if:

(i) the Independent Expert concludes (either initially or in any updated report), that the Scheme is not in the best interests of the Target Shareholders;

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(ii) there is a requirement or order from a Governmental Agency, after the date of this document, requiring the Target Director to abstain from making a recommendation that Target Shareholders approve the Scheme having regard to the Target Director's personal interests or conflicting fiduciary or statutory duties and such requirement or order has been in no way initiated, caused or relates to any action by the Target, its Representatives, a Target Director or any of their Associates;

(iii) the Target receives a Competing Proposal that constitutes a Superior Proposal to the Scheme; or

(iv) this document is terminated,

and the Target has complied with its obligations under clause 9.

## 7 Pre-implementation obligations

### *7.1 Conduct of business*

From the date of this document up to and including the Implementation Date, each of the Bidder and the Target must, and must procure that each member of the Bidder Group and Target Group (as applicable) does:

(a) (**ordinary course**) conduct its business in the ordinary course;

(b) (**compliance**) conduct its business in accordance in all material respects with its legal and contractual obligations;

(c) (**prescribed events**) in respect of:

(i) the Target only, ensure that no Target Prescribed Event occurs; and

(ii) the Bidder only, ensure that no Bidder Prescribed Event occurs;

(d) (**preservation**) use its reasonable endeavours to:

(i) preserve intact its current business organisation including keeping available the services of its senior officers and employees;

(ii) preserve in all material respects its relationships with material customers, suppliers, licensors, licensees, joint venturers, Governmental Agencies and others having material business dealings with it; and

(iii) maintain the condition of its business and assets, including maintaining at least its current level of insurance (provided such level of insurance continues to be generally available on commercially reasonable terms);

(e) (**material developments**) subject to compliance with law, keep the other party informed of any material developments concerning the party, its Related Bodies Corporate or their respective businesses, including:

(i) a material departure from the ordinary conduct of its business ;

(ii) any notice or communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement or confirmation) of that person (or another person) is or may be required in connection with this document or the Transaction; and

(iii) any material claims commenced or, to the knowledge of the party, threatened, that relate to or involve the party or its Related Bodies Corporate, this document or the Transaction; and

(f) (**material decisions**) subject to compliance with law, each party must consult with the other with respect to decisions regarding the Target Group's or Bidder Group's business (as applicable) that will have a material impact on the Merged Group post-implementation of the Scheme, other than decisions in the ordinary course of business consistent with past practice.

### *7.2 Specific requirements for the Target*

Without limiting clause 7.1, from the date of this document up to and including the Implementation Date, the Target must not and must ensure that each other member of the Target Group does not:

(a) (**disposals**) other than in the ordinary course of business, dispose or agree or offer to dispose of, or lease or agree or offer to lease, any one or more assets, businesses, securities or entities or any one or more items of real property, plant or equipment (or any interest in any of the foregoing), the value or aggregate value of which exceeds $500,000, to any person other than a member of the Target Group;

(b) (**acquisitions**) other than in the ordinary course of business, acquire or agree or offer to acquire any one or more assets, businesses, securities or entities or any one or more items of real property, plant or equipment (or any interest in any of the foregoing), the value or aggregate value of which exceeds $500,000, from any person other than a member of the Target Group;

(c) (**agreements**)

(i) enter into, terminate, extend, renew or materially vary any commitment (including any non-contractual commitment or undertaking) which has a value or involves a liability or expenditure of $500,000 or more, or any commitment which, when aggregated with related transactions, is in aggregate $500,000 or more;

(ii) exercise a contractual right or other option to renew or extend, or otherwise renewing or extending, an existing agreement (including under any lease) which has a value or involves a liability or expenditure of $500,000 or more, or any number of which, when aggregated with related transactions, is in aggregate $500,000 or more; or

(iii) guarantee or indemnify the obligations of any other person other than a member of the Target Group;

(d) (**joint ventures**) without limiting any other agreements between members of the Target Group and the Bidder Group, enter, or propose to enter, into or amend, or propose to amend, in any material respect any joint venture, partnership or similar agreement with any person;

(e) (**lines of business**) (considering the Target Group as a whole) enter into any line of business or other activities in which it is not engaged as at the date of this document;

(f) (**employment**)

(i) enter into a new employment agreement in respect of which the annual fixed remuneration is greater than $200,000;

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(ii) vary any employment agreement, or accelerate or otherwise increase remuneration, compensation or rights to benefits other than:

(A) in accordance with an existing contractual obligation to do so;

(B) in the ordinary course of business including variations resulting from annual pay reviews; or

(C) as required by law or regulation;

(iii) pay a director or senior manager a termination payment except as required by law (including pre-existing contractual entitlements); or

(iv) enter into, amend or terminate any collective bargaining agreement or other labour agreement,

(in each case, treating references to employees and employment agreements as including directors and consultants, and the terms of their engagement or appointment);

(g) (**tax**) settle or compromise or make any concessions in relation to any tax claims, liabilities or disputes or make any election in relation to tax, or otherwise engage in any transaction, act or event which gives rise to any tax liability which is outside the ordinary course of business as it was conducted prior to the date of this document;

(h) (**settle proceedings**) settle or compromise any legal proceedings, claim, investigation, arbitration or other like proceeding where the amount claimed by or against a member of the Target Group exceeds $500,000;

(i) (**indebtedness**) incur any financial indebtedness or issue any debt securities, other than:

(i) financial indebtedness to the Bidder Group pursuant to any loan or other arrangement, including the Loan Facility Agreement;

(ii) financial indebtedness up to an amount not exceeding $500,000 plus any financial indebtedness incurred within existing limits of any existing debt facility;

(iii) trade credit or other liabilities incurred in the ordinary course of business; or

(iv) indebtedness to another member of the Target Group; or

(j) (**agree**) agree, offer, commit or resolve to do any of the matters set out above.

***7.3 Specific requirements for the Bidder***

Without limiting clause 7.1, from the date of this document up to and including the Implementation Date, the Bidder must not and must ensure that each other member of the Bidder Group does not:

(a) (**disposals**) other than in the ordinary course of business, dispose or agree or offer to dispose of, or lease or agree or offer to lease, any one or more assets, businesses, securities or entities or any one or more items of real property, plant or equipment (or any interest in any of the foregoing), the value or aggregate value of which exceeds $500,000, to any person other than a member of the Bidder Group;

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(b) (**acquisitions**) other than in the ordinary course of business, acquire or agree or offer to acquire any one or more assets, businesses, securities or entities or any one or more items of real property, plant or equipment (or any interest in any of the foregoing), the value or aggregate value of which exceeds $500,000, from any person other than a member of the Bidder Group;

(c) (**agreements**)

(i) enter into, terminate, extend, renew or materially vary any commitment (including any non-contractual commitment or undertaking) which has a value or involves a liability or expenditure of $500,000 or more, or any commitment which, when aggregated with related transactions, is in aggregate $500,000 or more;

(ii) exercise a contractual right or other option to renew or extend, or otherwise renewing or extending, an existing agreement (including under any lease) which has a value or involves a liability or expenditure of $500,000 or more, or any number of which, when aggregated with related transactions, is in aggregate $500,000 or more; or

(iii) guarantee or indemnify the obligations of any other person other than a member of the Bidder Group;

(d) (**joint ventures**) without limiting any other agreements between members of the Bidder Group and the Target Group, enter, or propose to enter, into or amend, or propose to amend, in any material respect any joint venture, partnership or similar agreement with any person;

(e) (**lines of business**) (considering the Bidder Group as a whole) enter into any line of business or other activities in which it is not engaged as at the date of this document;

(f) (**employment**)

(i) enter into a new employment agreement in respect of which the annual fixed remuneration is greater than $200,000;

(ii) vary any employment agreement, or accelerate or otherwise increase remuneration, compensation or rights to benefits other than:

(A) in accordance with an existing contractual obligation to do so;

(B) in the ordinary course of business including variations resulting from annual pay reviews; or

(C) as required by law or regulation;

(iii) pay a director or senior manager a termination payment except as required by law (including pre-existing contractual entitlements); or

(iv) enter into, amend or terminate any collective bargaining agreement or other labour agreement,

(in each case, treating references to employees and employment agreements as including directors and consultants, and the terms of their engagement or appointment);

(g) (**tax**) settle or compromise or make any concessions in relation to any tax claims, liabilities or disputes or make any election in relation to tax, or otherwise engage in

any transaction, act or event which gives rise to any tax liability which is outside the ordinary course of business as it was conducted prior to the date of this document;

(h) (**settle proceedings**) settle or compromise any legal proceedings, claim, investigation, arbitration or other like proceeding where the amount claimed by or against a member of the Bidder Group exceeds $500,000;

(i) (**indebtedness**) incur any financial indebtedness or issue any debt securities, other than:

(i) financial indebtedness up to an amount not exceeding $500,000 plus any financial indebtedness incurred within existing limits of any existing debt facility;

(ii) trade credit or other liabilities incurred in the ordinary course of business; or

(iii) indebtedness to another member of the Bidder Group; or

(j) (**agree**) agree, offer, commit or resolve to do any of the matters set out above.

### *7.4 Exceptions*

Nothing in clauses 7.1, 7.2 or 7.3 restricts:

(a) anything which a party is expressly required to do, expressly permitted to do or expressly permitted not to do under any provision of this document or the Scheme, or which a party is otherwise required to do by law or by the order of a Governmental Agency;

(b) anything which is consented to by the other party in writing, such consent not to be unreasonably withheld, delayed or conditioned;

(c) any transaction, expenditure or other action fairly disclosed before the DD Cut-Off Time in any of the Target Disclosure Materials or Bidder Disclosure Materials or disclosed in the Target Historical Announcements or Bidder Historical Announcements (as the case may be); or

(d) any agreement or other arrangement which is conditional on the Scheme not being Implemented other than to the extent to which entry into such agreement or arrangement would be in breach of clause 9.

### *7.5 Change of control consents*

As soon as practicable after the date of this document, each party must identify any change of control or unilateral termination rights in contracts to which a member of the Target Group or Bidder Group (as applicable) is party which may be triggered by or exercised as a result of the implementation of the Scheme. In respect of those contracts (which includes CoC Contracts):

(a) the parties will use reasonable endeavours to agree a proposed course of action (which, among other things, will have due regard to applicable legal restrictions) and then the Target or Bidder (as applicable) will initiate contact, including joint discussions if required, with the relevant counterparties and request that they provide any consents or confirmations required or appropriate;

(b) the parties will use reasonable endeavours to obtain, prior to 8am on the Second Court Date, any required consents or confirmations;

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(c) in respect of arrangements relating to the Target Group, the Bidder must not contact any counterparties in relation to the process set out in this clause 7.5 without the Target being present or without the Target's prior written consent and must cooperate with, and provide reasonable assistance to, the Target to obtain such consents or confirmations as expeditiously as possible;

(d) in respect of arrangements relating to the Bidder Group, the Target must not contact any counterparties in relation to the process set out in this clause 7.5 without the Bidder being present or without the Bidder's prior written consent and must cooperate with, and provide reasonable assistance to, the Bidder to obtain such consents or confirmations as expeditiously as possible; and

(e) each party must use its best endeavours to comply with any requirements of the counterparties that are reasonably necessary to obtain the relevant consent or confirmation.

### *7.6 Target performance rights*

Before 8am on the Second Court Date, the Target must in accordance with the terms of the IDM International Limited Performance Rights Plan, procure that all Target performance rights on issue at the time the Scheme becomes Effective will vest on or before the Record Date and will result in the issue of Target Shares on or before the Record Date without the need for any further action by any person, other than the updating of the Target Register. The Target must also ensure that the relevant Target Shares are in fact issued on or before the Record Date.

### *7.7 Loan Facility Agreement*

It is acknowledged that, on or about the date of this document, the parties entered into the Loan Facility Agreement pursuant to which the Bidder agreed to make advances to the Target under a loan facility in an aggregate amount of up to $1,000,000 to assist the Target in funding its working capital requirements through the Scheme process and beyond. Nothing in clauses 7.1, 7.2 or 7.3 restricts drawdown under, or repayment pursuant to, the Loan Facility Agreement (including by way of the issue of Target Shares) and no such drawdown or repayment will trigger any condition precedent in clause 3.1 or give rise to any other rights (whether by way of triggering a Target Prescribed Event, Bidder Prescribed Event, Target Material Adverse Change, Bidder Material Adverse Change, Target Warranty, Bidder Warranty or otherwise).

## 8 Representations and warranties

### *8.1 Target Warranties*

Subject to clause 8.3, the Target represents and warrants to the Bidder (on its own behalf and on behalf of each of the Bidder Indemnified Parties) that:

(a) (**status**) each member of the Target Group is a corporation duly incorporated, validly existing and limited by shares under the Corporations Act or other applicable legislation;

(b) (**power**) it has full legal capacity and power to enter into and perform its obligations under this document;

(c) (**authorisations**) its execution, delivery and performance of this document has been properly authorised by all necessary corporate action and it has full corporate power to execute, deliver and perform this document;

(d) (**validity of this document**) this document constitutes legal, valid and binding obligations on the Target (subject to laws generally affecting creditors' rights and the principles of equity);

(e) (**Insolvency Events**) neither it nor any other member of the Target Group is affected by an Insolvency Event;

(f) (**provision of information to Independent Expert**) all information provided by or on behalf of the Target to the Independent Expert has been provided in good faith and on the understanding that the Independent Expert will rely on that information for the purpose of preparing the Independent Expert's Report;

(g) (**Target Scheme Booklet Information**) as at the date the Scheme Booklet is despatched to the Target Shareholders, the Target Scheme Booklet Information:

(i) has been prepared and included in the Scheme Booklet in good faith and on the understanding that the Bidder and each of its directors will rely on that information for the purpose of considering and approving the Bidder Scheme Booklet Information; and

(ii) complies in all material respects with the requirements of the Corporations Act, the ASX Listing Rules and all relevant ASIC Regulatory Guides (including ASIC Regulatory Guide 60) and the terms of this document as they apply to such information;

(h) (**Scheme Booklet**) as at the date the Scheme Booklet is despatched to the Target Shareholders, the Scheme Booklet (excluding the Bidder Scheme Booklet Information, the Independent Expert's Report, and (if applicable) any statement of the tax consequences of the Scheme and associated matters for the Target Shareholders on the letterhead of the Target's tax advisers as may be included in the Scheme Booklet) is accurate in all material respects and does not contain any statement which is false, misleading or deceptive (with any statement of belief or opinion being honestly held and formed on a reasonable basis) in any material respect (whether by omission or otherwise);

(i) (**securities**) as at the date of this document:

(i) the Target has on issue:

(A) 92,026,627 Target Shares;

(B) 3,800,000 IDMUOPT2 Target Options with an exercise price of $0.20 per option expiring on 14 February 2026;

(C) 6,245,000 IDMUOPT4 Target Options with an exercise price of $0.40 per option expiring on 1 November 2026;

(D) 1,250,000 IDMUOPT5 Target Options with an exercise price of $0.40 per option expiring on 5 February 2029; and

(E) 1,500,000 Target performance rights;

(ii) there are no other shares, options, performance rights or convertible instruments or other securities or financial products granted or on issue, or the subject of any agreement or arrangement or understanding that they will be issued, by the Target, other than as expressly contemplated by this document;

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(j) (**interests in other entities**) the Target Disclosure Information sets out the full details of any company, partnership, trust, joint venture (whether incorporated or unincorporated) or other enterprise in which any member of the Target Group owns or otherwise holds any interest;

(k) (**no default**) neither this document nor the carrying out by the Target of the transactions contemplated by this document does or will conflict with or result in the breach of or a default under:

(i) any provision of the Target's constitution; or

(ii) any material term or provision of any Target Material Contract (including any financing arrangements) or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other member of the Target Group is bound,

and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this document;

(l) (**compliance**) each member of the Target Group has complied in all material respects with all Australian and foreign laws, rules and regulations applicable to them and orders of Australian and foreign Governmental Agencies having jurisdiction over them and there is no judgment, injunction, order or decree binding on any member of the Target Group that constitutes or would be likely to constitute a Target Material Adverse Change;

(m) (**project**) Crescent Mining and Development Corporation (**Crescent**) is the holder of Mineral Production Sharing Agreement No. 057-96-CAR (**MPSA**), which was renewed by the Mines and Geosciences Bureau of the Department of Environment and Natural Resources of the Philippines (**MGB**) for a second 25-year term effective from 12 November 2021. With respect to the MPSA, to the best of the Target Directors' knowledge:

(i) Crescent holds the existing, exclusive, valid and enforceable right to conduct mining operations within the contract area under the MPSA, in accordance with the Philippine Mining Act of 1995 (Republic Act No. 7942) (**Mining Act**) and all applicable laws and regulations, free from all Encumbrances (other than Encumbrances arising in the ordinary course of operations or pursuant to the Mining Act or other applicable laws and regulations);

(ii) Crescent has duly complied in all material respects with all statutory, regulatory, and contractual obligations required to maintain the validity and good standing of the MPSA, including financial, environmental, and operational requirements imposed by the MGB or any other Governmental Authority;

(iii) the members of the Target Group have complied in all material respects with the requirements imposed by any applicable mining, environmental, cultural heritage, health, safety and employment laws and regulations with respect to the MPSA and their operations within the contract area of the MPSA;

(iv) the MPSA remains in good standing, in full force and effect, has not lapsed, expired, been terminated, or revoked, and there are no grounds for cancellation, suspension, or forfeiture; and

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(v) the Target has not received any notices, demands, or communications from any Governmental Agency alleging non-compliance, default, or any other matter that could reasonably be expected to affect the validity, renewal, or continuation of the MPSA or result in the modification, limitation or imposition of an onerous condition on the MPSA. Additionally, there are no existing disputes, claims, challenges, or pending proceedings that would impair Crescent's rights under the MPSA or its ability to conduct mining operations within the contract area.

(n) (**material licences**) the Target Group has all material licences, authorisations and permits necessary for it to conduct the business of the Target Group as it is being conducted as at the date of this document, and no member of the Target Group:

(i) is in material breach of, or default under, any such licence, authorisation or permit; or

(ii) has received any notice in respect of the termination, revocation, variation or non-renewal of any such licence, authorisation or permit;

(o) (**Target Disclosure Materials**) it has collated and prepared all of the Target Disclosure Materials in good faith for the purposes of a due diligence process and in this context, as far as the Target is aware:

(i) the Target Disclosure Information has been collated with all reasonable care and skill;

(ii) the information contained in the Target Disclosure Information is accurate in all material respects;

(iii) the Target Disclosure Information does not include information that is misleading in any material respect; and

(iv) no information has been omitted from the Target Disclosure Information that, in Target's reasonable opinion, would render the Target Disclosure Information misleading in any material respect, or be material to a reasonable bidder's evaluation of the Target Group or decision whether to proceed with the Transaction;

(p) (**all information**)

(i) it is not aware of any information relating to the Target Group or its businesses or affairs as at the date of this document that has or could reasonably be expected to give rise to a Target Material Adverse Change that has not been disclosed in the Target Disclosure Materials; and

(ii) it has provided the Bidder with copies or written statements of any material non-public information about the business or affairs of the Target Group disclosed or otherwise provided to any Third Party in connection with any actual, proposed or potential Competing Proposal in relation to the Target;

(q) (**no contravention of Corporations Act**) ASIC has not made a determination against any member of the Target Group for any contravention of the requirements of the Corporations Act or any rules, regulations or regulatory guides under the Corporations Act and, as far as the Target is aware, no event has occurred which reasonably could or would reasonably be likely to result in such a determination being made;

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(r) (**not misleading**) all information it has provided or will provide to the Independent Expert, as contemplated by clause 5.1(b) or otherwise, or to the Bidder, is accurate in all material respects and not misleading, and it has not omitted any information required to make the information provided to the Independent Expert or the Bidder not misleading;

(s) (**Encumbrances**) other than any Encumbrance disclosed in the Target Disclosure Materials, there is no Encumbrance over all or any of the Target Group's present or future assets or revenues;

(t) (**litigation**) there are no current material actions, suits, arbitrations or legal or administrative proceedings against any member of the Target Group and, as far as the Target is aware:

(i) there are no:

(A) current, pending or threatened material claims, disputes or demands; or

(B) pending or threatened material actions, suits, arbitrations or legal or administrative proceedings,

in each case against any member of the Target Group; and

(ii) no member of the Target Group is the specific focus of any material formal investigation by a Governmental Agency (not being an industry-wide investigation);

(u) (**Target Material Contracts**) as far as the Target is aware, no member of the Target Group is in material default under a Target Material Contract to which it is a party, and nothing has occurred which is (or would be following the giving of notice or the lapse of time) an event of default or would give another party a termination right or right to accelerate any material right or obligation under any Target Material Contract; and

(v) (**Target Financial Statements**) the Target's audited financial statements as lodged with ASIC and provided to the Bidder have been prepared in accordance with applicable statutory requirements and accounting standards on a basis consistent with past practice financial statements, give a true and fair view of the Target Group's financial position and financial performance for the relevant period (to the extent they consolidate members of the Target Group) and are not misleading or deceptive or likely to mislead or deceive (in each case where by omission or otherwise).

### *8.2 Bidder Warranties*

Subject to clause 8.4, the Bidder represents and warrants to the Target (on its own behalf and on behalf of each of the Target Indemnified Parties) that:

(a) (**status**) each member of the Bidder Group is a corporation duly incorporated, validly existing and limited by shares under the Corporations Act or other applicable legislation;

(b) (**power**) it has full legal capacity and power to enter into and perform its obligations under this document;

(c) (**authorisations**) its execution, delivery and performance of this document has been properly authorised by all necessary corporate action and it has full corporate power to execute, deliver and perform this document;

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(d) (**validity of this document**) this document constitutes legal, valid and binding obligations on it (subject to laws generally affecting creditors' rights and the principles of equity);

(e) (**Insolvency Events**) neither it nor any other member of the Bidder Group is affected by an Insolvency Event;

(f) (**provision of information to Independent Expert**) as at the date the Scheme Booklet is despatched to the Target Shareholders, all information provided by or on behalf of it to the Independent Expert has been provided in good faith and on the understanding that the Independent Expert will rely upon that information for the purpose of preparing the Independent Expert's Report;

(g) (**Bidder Scheme Booklet Information**) as at the date the Scheme Booklet is despatched to the Target Shareholders, the Bidder Scheme Booklet Information (to the extent that the Bidder has consented to inclusion of that information in accordance with clause 5.3(b)):

(i) has been prepared in good faith and on the understanding that the Target and each of its directors will rely on that information for the purposes of preparing the Scheme Booklet and proposing the Scheme;

(ii) is accurate in all material respects and does not contain any statement which is false, misleading or deceptive (with any statement of belief or opinion being honestly held and formed on a reasonable basis) in any material respect (whether by omission or otherwise); and

(iii) complies in all material respects with the requirements of the Corporations Act, the ASX Listing Rules and relevant ASIC Regulatory Guides (including ASIC Regulatory Guide 60) and the terms of this document as they relate to such information;

(h) (**continuous disclosure**) as at the date of this document, the Bidder is not in breach of its continuous disclosure obligations under the ASX Listing Rules and, other than in respect of the Scheme, it is not relying on the carve-out in ASX Listing Rule 3.1A to withhold any information from public disclosure;

(i) (**securities**) as at the date of this document:

(i) the Bidder has on issue:

(A) 594,996,991 Bidder Shares;

(B) 212,465 service rights; and

(C) 27,188,488 options; and

(ii) there are no other shares, options, service rights, performance rights or convertible instruments or other securities or financial products granted or on issue, or the subject of any agreement or arrangement or understanding that they will be issued, by the Bidder, other than as expressly contemplated by this document;

(j) (**interests in other entities**) the Bidder Disclosure Information sets out the full details of any company, partnership, trust, joint venture (whether incorporated or unincorporated) or other enterprise in which any member of the Bidder Group owns or otherwise holds any interest;

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(k) (**no dealing with Target Shareholders**) as at the date of this document, neither it nor any of its Associates:

(i) has a Relevant Interest in any Target Shares; or

(ii) is a party to any agreement, arrangement or understanding involving the conferring of rights on it the economic effect of which is equivalent, substantially equivalent, or similar to it acquiring, holding or disposing of Target Shares (whether combined with a financing arrangement or not);

(l) (**no default**) neither this document nor the carrying out by the Bidder of the transactions contemplated by this document does or will conflict with or result in the breach of or a default under:

(i) any provision of the Bidder's constitution; or

(ii) any material term or provision of any Bidder Material Contract (including any financing arrangements) or any writ, order or injunction, judgment, law, rule or regulation to which it is party or subject or by which it or any other member of the Bidder Group is bound,

and it is not otherwise bound by any agreement that would prevent or restrict it from entering into or performing this document;

(m) (**compliance**) each member of the Bidder Group has complied in all material respects with all Australian and foreign laws, rules and regulations applicable to them and orders of Australian and foreign Governmental Agencies having jurisdiction over them and there is no judgment, injunction, order or decree binding on any member of the Bidder Group that constitutes or would be likely to constitute a Bidder Material Adverse Change;

(n) (**tenements**) to the best of the Bidder Directors' knowledge, the members of the Bidder Group have complied in all material respects with the requirements imposed by any applicable mining, environmental, cultural heritage, health, safety and employment laws and regulations with respect to the Bidder Tenements.

(o) (**material licences**) the Bidder Group has all material licences, authorisations and permits necessary for it to conduct the business of the Bidder Group as it is being conducted as at the date of this document, and no member of the Bidder Group:

(i) is in material breach of, or default under, any such licence, authorisation or permit; or

(ii) has received any notice in respect of the termination, revocation, variation or non-renewal of any such licence, authorisation or permit;

(p) (**Bidder Disclosure Information**) it has collated and prepared all of the Bidder Disclosure Information in good faith for the purposes of a due diligence process and in this context, as far as the Bidder is aware:

(i) the Bidder Disclosure Information has been collated with all reasonable care and skill;

(ii) the information contained in the Bidder Disclosure Information is accurate in all material respects;

(iii) the Bidder Disclosure Information does not include information that is misleading in any material respect; and

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(iv) no information has been omitted from the Disclosure Materials that, in Bidder's reasonable opinion, would render the Bidder Disclosure Information misleading in any material respect, or be material to a reasonable buyer's evaluation of the Bidder Group or decision whether to proceed with the Transaction;

(q) (**all information**)

(i) it is not aware of any information relating to the Bidder Group or its business or affairs as at the date of this document that has or could reasonably be expected to give rise to a Bidder Material Adverse Change that has not been disclosed in the Bidder Disclosure Materials or Bidder Historical Announcements;

(ii) it has provided the Target with copies or written statements of any material non-public information about the business or affairs of the Bidder Group disclosed or otherwise provided to any Third Party in connection with any actual, proposed or potential Competing Proposal in relation to the Bidder;

(r) (**no contravention of Corporations Act or ASX Listing Rules**) neither ASIC nor ASX has made a determination against any member of the Bidder Group for any contravention of the requirements of the Corporations Act or the ASX Listing Rules or any rules, regulations or regulatory guides under the Corporations Act or the ASX Listing Rules and, as far as the Bidder is aware, no event has occurred which reasonably could or would reasonably be likely to result in such a determination being made;

(s) (**not misleading**) all information it has provided or will provide to the Independent Expert, as contemplated by clause 5.2(c) or otherwise, or to the Target, is accurate in all material respects and not misleading, and it has not omitted any information required to make the information provided to the Independent Expert or the Target not misleading;

(t) (**Encumbrances**) other than any Encumbrance disclosed in the Bidder Disclosure Materials or Bidder Historical Announcements, there is no Encumbrance over all or any of the Bidder Group's present or future assets or revenues;

(u) (**litigation**) there are no current material actions, suits, arbitrations or legal or administrative proceedings against any member of the Bidder Group and, as far as the Bidder is aware:

(i) there are no:

(A) current, pending or threatened material claims, disputes or demands; or

(B) (B) pending or threatened material actions, suits, arbitrations or legal or administrative proceedings,

in each case against any member of the Bidder Group; and

(ii) no member of the Bidder Group is the specific focus of any material formal investigation by a Governmental Agency (not being an industry-wide investigation);

(v) (**Bidder Material Contracts**) as far as the Bidder is aware, no member of the Bidder Group is in material default under a Bidder Material Contract to which it is a

party, and nothing has occurred which is (or would be following the giving of notice or the lapse of time) an event of default or would give another party a termination right or right to accelerate any material right or obligation under any Bidder Material Contract; and

(w) (**Bidder Financial Statements**) the Bidder's audited financial statements as lodged with ASX and provided to the Target have been prepared in accordance with applicable statutory requirements and accounting standards on a basis consistent with past practice financial statements, give a true and fair view of the Bidder Group's financial position and financial performance for the relevant period and are not misleading or deceptive or likely to mislead or deceive (in each case where by omission or otherwise).

### *8.3 Qualifications and Target limitation of liability*

(a) The Target is not liable in respect of a Warranty Claim in relation to a Target Warranty if the fact, matter, circumstance or act giving rise to the Warranty Claim:

(i) was required to be done by the Target under or in connection with this document;

(ii) was approved by the Bidder in writing (prior to the fact, matter, circumstance or act occurring);

(iii) has been fairly disclosed in writing by the Target to the Bidder prior to the date the parties entered into this document in the Target Disclosure Materials;

(iv) relates to the Loan Facility Agreement or any matter contemplated by it; or

(v) was within the actual knowledge of the Bidder.

(b) The Target Warranties are qualified by, and are given subject to, the facts, matters, circumstances and acts referred to in clause 8.3(a).

### *8.4 Qualifications and Bidder's limitation of liability*

(a) The Bidder is not liable in respect of a Warranty Claim in relation to a Bidder Warranty if the fact, matter, circumstance or act giving rise to the Warranty Claim:

(i) was required to be done by the Bidder under or in connection with this document; or

(ii) was approved by the Target in writing (prior to the fact, matter, circumstance or act occurring);

(iii) has been fairly disclosed in writing by the Bidder to the Target prior to the date the parties entered into this document in the Bidder Disclosure Materials or Bidder Historical Announcements; or

(iv) relates to the Loan Facility Agreement or any matter contemplated by it; or

(v) was within the actual knowledge of the Target.

(b) The Bidder Warranties are qualified by, and are given subject to, the facts, matters, circumstances and acts referred to in clause 8.4(a).

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### 8.5 Reliance

Each party acknowledges that:

(a) the other has entered into this document in reliance on the representations and warranties that are given by the party in this clause 8; and

(b) it has not relied on any representation or warranty in deciding whether to enter into this document, other than as expressly set out in this clause 8.

### 8.6 Nature of provisions

(a) Except as otherwise stated in this clause 8, each of the representations and warranties in this clause 8 shall be deemed to be given as at the date of this document and repeated continuously thereafter until 8am on the Second Court Date by reference to the circumstances then existing.

(b) Each of the representations and warranties given by a party in this clause 8 must be construed as a separate and independent provision and will not be limited or restricted by reference to the terms of any other representation or warranty in this clause 8 or any other term of this document.

### 8.7 Notification

A party must promptly (and in any event, within two Business Days) advise the other in writing if it becomes aware of any fact, matter or circumstance which constitutes or may (including with the passage of time) constitute a breach of any representation or warranty provided in this clause 8 by the party; such notice including reasonable details of the fact, matter or circumstance and any actions taken or proposed (including timelines) to remedy the actual or potential breach.

### 8.8 Indemnities

(a) The Target indemnifies the Bidder and the other Bidder Indemnified Parties from and against all claims, actions, proceedings, liabilities, obligations, damages, loss, harm, charges, costs, expenses, duties and other outgoings of whatever nature and however arising which any of the Bidder Indemnified Parties may suffer or incur by reason of any breach of any of the Target Warranties.

(b) The Bidder indemnifies the Target and the other Target Indemnified Parties from and against all claims, actions, proceedings, liabilities, obligations, damages, loss, harm, charges, costs, expenses, duties and other outgoings of whatever nature and however arising which any of the Target Indemnified Parties may suffer or incur by reason of any breach of any of the Bidder Warranties.

### 8.9 Target's limitation of liability

Subject to clause 10.5 but notwithstanding any other provision of this document, other than in the case of conduct designed or intended to frustrate the Transaction, or fraud, wilful misconduct or wilful breach on the part of the Target:

(a) the maximum liability of the Target to all other persons under or in connection with this document, including in respect of any breach of this document and the indemnity in clause 8.8(a), is $250,000 (**General Cap**), except in respect of a breach of the Target Warranty at clause 8.1(m), which shall not be subject to this cap and shall instead be subject to a cap of $1,000,000 (**Specific Cap**);

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(b) the Bidder may not make a claim against any member of the Target Group under or in connection with this document for any damages, fees, expenses or reimbursements of any kind exceeding the General Cap, except in respect of a breach of the Target Warranty at clause 8.1(m) (which is limited by clause 8.9(c)), and none of them will be payable by the Target under or in connection with this document; and

(c) the Bidder may not make a claim against any member of the Target Group under or in respect of a breach of the Target Warranty at clause 8.1(m) for any damages, fees, expenses or reimbursements of any kind exceeding the Specific Cap, and none of them will be payable by the Target under or in connection with this document.

### *8.10 Bidder's limitation of liability*

Subject to clause 10.5 but notwithstanding any other provision of this document, other than in the case of conduct designed or intended to frustrate the Transaction, or fraud, wilful misconduct or wilful breach on the part of the Bidder:

(a) the maximum liability of the Bidder to all other persons under or in connection with this document, including in respect of any breach of this document and the indemnity in clause 8.8(b), is $250,000; and

(b) the Target may not make a claim against any member of the Bidder Group under or in connection with this document for any damages, fees, expenses or reimbursements of any kind exceeding the amount set out in clause 8.10(a), and none of them will be payable by the Bidder under or in connection with this document.

## 9 Exclusivity

### *9.1 Existing discussions*

Each party represents and warrants that, as at the time of execution of this document:

(a) it is not a party to any agreement, arrangement or understanding with any person entered into for the purposes of facilitating an actual, proposed or potential Competing Proposal in relation to the party;

(b) it is not, directly or indirectly, in any negotiations or discussions and it has ceased any existing negotiations or discussions with any person, in respect of any Competing Proposal in relation to the party (or which may reasonably be expected to lead to a Competing Proposal in relation to the party); and

(c) any due diligence access granted to any person for the purposes of such negotiations or discussions has been terminated.

### *9.2 No-shop*

During the Exclusivity Period, each party must not and must ensure that each of its Representatives does not:

(a) directly or indirectly solicit or invite; or

(b) initiate or encourage any enquiries, negotiations or discussions,

or communicate any intention to do any of these things, with a view to obtaining any offer, expression of interest or proposal from any person in relation to a Competing Proposal.

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### *9.3 No talk obligation and no due diligence*

Subject to clause 9.4, during the Exclusivity Period, each party must not and must ensure that each of its Representatives does not:

(a) enter into, continue or participate in negotiations or discussions with, any person;

(b) solicit, initiate, facilitate or encourage any person (other than the other party or its Representatives) to undertake due diligence on the party or its Related Bodies Corporate; or

(c) make available to any person (other than the other party or its Representatives) or permit such person to receive any non-public information relating to the party or its Related Bodies Corporate,

in each case, in connection with a Competing Proposal (or proposed or potential Competing Proposal), even if that person's Competing Proposal was not directly or indirectly solicited or invited by the party or any of its Representatives or if the person has publicly announced their Competing Proposal.

### *9.4 Fiduciary carve out*

Nothing in clause 9.3 prevents or requires any action by or on behalf of the Bidder or the Target in relation to any Unsolicited Competing Proposal if, after receiving written legal advice from its external financial and/or legal advisers (as applicable), its Board has determined in good faith that:

(a) the Unsolicited Competing Proposal is or, if it was proposed, could reasonably be expected to lead to, a Superior Proposal; and

(b) failure to take such action (where such action would otherwise be prevented by clause 9.3) would involve, or would be likely to involve, a breach of the fiduciary or statutory duties of the directors of the Target or the Bidder (as applicable),

provided that:

(c) the Unsolicited Competing Proposal is immediately notified to the other party in accordance with clause 9.5; and

(d) to the extent the party (or its Representatives) proposes to provide to a Third Party any non-public information relating to the party or its Related Bodies Corporate in connection with the Unsolicited Competing Proposal, the party first enters into a binding confidentiality agreement with the recipient where the terms of the confidentiality agreement relating to confidentiality of the non-public information are no less favourable to the party than the relevant terms of the Confidentiality Deed.

### *9.5 Notification of approaches*

(a) During the Exclusivity Period, the Bidder and the Target must as soon as reasonably practicable, and in any event within two Business Days, notify the other in writing if it or any of its Representatives becomes aware of any:

(i) receipt of any Competing Proposal in respect of itself;

(ii) approach, enquiry or request to initiate any negotiations or discussions in respect of, or that may reasonably be expected to lead to, any Competing Proposal; or

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(iii) request for, or provision by the party or any of its Representatives to any Third Party of, any material non-public information relating to any member of the Bidder Group or the Target Group (as applicable) in relation to any Competing Proposal,

whether direct, indirect, solicited or unsolicited, and in writing or otherwise. For the avoidance of doubt, any of the acts described in paragraphs (i) to (iii) may only be taken by the Target or its Representatives if not prohibited by clauses 9.2 or 9.3 or if permitted by clause 9.4.

(b) A notification given under clause 9.5(a) must include all material details of the relevant event, including (as the case may be):

(i) the material terms and conditions of the actual, proposed or potential Competing Proposal (if any) (including price and form of consideration, conditions precedent, proposed deal protection arrangements, timetable, form of funding for the Competing Proposal and any conditions thereto), in each case to the extent known by Target or any of its Representatives; and

(ii) the nature of the information requested and/or provided,

however the notification must not include the identity of the Third Party making or proposing the Competing Proposal (or, if different, details of the proposed bidder or acquirer) or any other details to the extent they would identify the Third Party, proposed bidder or acquirer.

***9.6 Bidder matching right***

(a) Without limiting clauses 9.2 and 9.3, during the Exclusivity Period, the Target:

(i) must not, and must procure that each member of the Target Group does not, enter into any agreement, arrangement or understanding (whether or not in writing) in relation to a Competing Proposal; other than a member of the Target Group entering into a confidentiality agreement or like agreement with a Third Party for the purpose of providing non-public information in relation to an actual, proposed or potential Competing Proposal, provided that such confidentiality or like agreement is on terms that are no less onerous to the Third Party (in relation to confidentiality of non-public information) than the terms of the Confidentiality Deed are to the Bidder;

(ii) must use its best endeavours to ensure that no Target Director adversely changes or withdraws their statements referred to in clause 6(a), or makes a recommendation or statement that is inconsistent with any of them (including recommending, supporting or endorsing a Competing Proposal) other than where the change, withdrawal, recommendation or statement is permitted by clauses 6(c) or 9.6(c),

unless:

(iii) the Competing Proposal is a Superior Proposal;

(iv) the Target has provided the Bidder with all information in respect of the Competing Proposal required by clause 9.5 plus the identity of the Third Party making or proposing the Competing Proposal (or, if different, details of the proposed bidder or acquirer) and any other details excluded from disclosure under clause 9.5;

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(v) the Target has given the Bidder at least five Business Days after the date of the provision of the information referred to in clause 9.6(a)(iv) to provide a counter proposal to the terms of the actual, proposed or potential Competing Proposal (**Bidder Counterproposal**); and

(vi) the Target Board, acting reasonably and in good faith, determines that the Bidder has not provided a Bidder Counterproposal that is superior to or no less favourable overall than the terms and conditions of the Competing Proposal (having regard to all relevant matters including those listed in the definition of "Superior Proposal" in clause 1.1), by the expiry of the period specified in clause 9.6(a)(v).

(b) If the Bidder provides the Target with a Bidder Counterproposal by the expiry of the period specified in clause 9.6(a)(v), the Target must procure that the Target Board reviews the Bidder Counterproposal and if the Target Board, acting reasonably and in good faith, determines that the Bidder Counterproposal would provide a matching or superior outcome for Target Shareholders as a whole compared with the Competing Proposal, then:

(i) the Target and Bidder must use their best endeavours to agree the amendments to this document, the Scheme and the Deed Poll (as applicable) that are reasonably necessary to reflect the Bidder Counterproposal and to implement the Bidder Counterproposal, in each case as soon as reasonably practicable; and

(ii) the Target must use its best endeavours to procure that each Target Director continues to recommend the Transaction (as modified by the Bidder Counterproposal) to Target Shareholders (other than as permitted by this document) and not recommend the applicable Competing Proposal.

(c) Despite any other provision in this document, any public announcement or other statement by the Target or any one or more of the Target Directors that:

(i) the Target Board has determined that a Competing Proposal is a Superior Proposal and the Target has commenced the matching right process set out in this clause 9.6; or

(ii) Target Shareholders should take no action pending the completion of the matching right process set out in this clause 9.6,

does not of itself:

(iii) constitute an adverse change or withdrawal of a statement referred to in clause 6(a), or a recommendation or statement that is inconsistent with them (including a recommendation, statement of support or endorsement of a Competing Proposal);

(iv) contravene any provision of this document;

(v) give rise to an obligation to pay any break fee or similar fee; or

(vi) give rise to a right to terminate this document.

(d) For the purposes of this clause 9.6:

(i) each successive material variation or amendment to a Competing Proposal will constitute a new Competing Proposal; and

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(ii) for the avoidance of doubt, the process set out in this clause 9.6 must again be followed in respect of any such new Competing Proposal; except that the period referred to in clause 9.6(a)(v) (and other clauses that cross-refer to it) will instead be three Business Days where it relates to a material variation or amendment to a Competing Proposal previously notified to the Bidder under clause 9.5.

### *9.7 Compliance with law*

(a) If it is finally determined by a court of competent jurisdiction, or the Takeovers Panel, that the agreement by the parties under this clause 9 or any part of it:

(i) constituted, or constitutes, or would constitute, a breach of the fiduciary, statutory or general law duties of the Target Directors or Bidder Directors;

(ii) constituted, or constitutes, or would constitute, 'unacceptable circumstances' within the meaning of the Corporations Act; or

(iii) was, or is, or would be, unlawful for any other reason,

then, to that extent (and only to that extent) the Target or Bidder (to the extent that it relates to that party) will not be obliged to comply with that part of this clause 9.

(b) The parties must not make or cause to be made, any application to a court or the Takeovers Panel for or in relation to a determination referred to in this clause 9.7.

### *9.8 Normal provision of information*

Nothing in this clause 9 prevents the Target or Bidder from:

(a) providing information to rating agencies or any Governmental Agency in response to a request;

(b) providing information to its auditors, advisers, employees, financiers, customers, business partners and suppliers acting in that capacity in the ordinary course of business;

(c) making presentations to brokers, portfolio investors, analysts, shareholders, media and other Third Parties in the ordinary course of business, provided those communications do not concern or relate to a Competing Proposal;

(d) complying with its continuous disclosure obligations; or

(e) providing information to its Representatives.

### *9.9 Acknowledgements*

(a) The Target acknowledges that:

(i) the Bidder has required the Target to agree to the obligations set out in this clause 9 in consideration of the Bidder proceeding with the Scheme and incurring significant costs in doing so; and

(ii) in the absence of obtaining these obligations, the Bidder would not have entered into this document.

(b) The Bidder acknowledges that:

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(i) the Target has required the Bidder to agree to the obligations set out in this clause 9 in consideration of the Target proceeding with the Scheme and incurring significant costs in doing so; and

(ii) in the absence of obtaining these obligations, the Target would not have entered into this document.

### *9.10 Repayment of Exclusivity Fee*

For the avoidance of doubt, the Target acknowledges that the Bidder has paid the Target the Exclusivity Fee and agrees to repay the Exclusivity Fee to the Bidder within 5 Business Days of receiving a written demand from the Bidder if the Target breaches (in a material manner) any of its obligations under clauses 9.1 to 9.3, 9.5 and 9.6 during the Exclusivity Period.

### *9.11 Legal Advice*

Each party acknowledges that it has received legal advice on this document and the operation of this clause 9 from reputable legal advisers experienced in transactions of this nature.

## 10 Termination

### *10.1 Termination events*

This document may be terminated:

(a) (**End Date**) by the Target or the Bidder, if the Scheme has not become, or will not become, Effective on or before the End Date;

(b) (**lack of Target Director support**) by the Bidder at any time prior to 8am on the Second Court Date if, other than where any of the circumstances described in clause 6(c)(ii) apply, any Target Director:

(i) fails to recommend the Scheme;

(ii) publicly withdraws (including by abstaining, except where a Target Director is required to abstain by law or by a requirement or order from a Court or Governmental Agency), adversely changes, adversely modifies or adversely qualifies their support of the Scheme or their recommendation that Target Shareholders vote in favour of the Scheme;

(iii) makes a public statement indicating that they no longer recommend the Transaction or recommends, supports or endorses another transaction (including any Competing Proposal but excluding a statement that no action should be taken by Target Shareholders pending assessment of a Competing Proposal by the Target Board or the completion of the matching right process set out in clause 9.6); or

(iv) takes any other action that is inconsistent with their recommendation that Target Shareholders vote in favour of the Scheme (including that they no longer support the Scheme or they support, endorse or recommend a Competing Proposal);

(c) (**material breach**)

(i) by the Target by written notice to the Bidder at any time prior to 8am on the Second Court Date if the Bidder is in material breach of a term of this document, taken in the context of the Scheme as a whole (including a

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breach of any Bidder Warranty, which breach is material in the context of the Scheme as a whole); or

(ii) by the Bidder by written notice to the Target at any time prior to 8am on the Second Court Date if the Target is in material breach of a term of this document, taken in the context of the Scheme as a whole (including any breach of a Target Warranty, which breach is material in the context of the Scheme as a whole),

provided that the Target or the Bidder (as the case may be) has given prompt written notice to the other setting out the relevant circumstances of the breach and the relevant circumstances continue to exist 10 Business Days (or any shorter period ending at 5pm on the Business Day before the Second Court Date) after the time such notice is given;

(d) (**Target Superior Proposal**) provided there has not been a material breach of the Target's obligations under clause 9, by the Target by written notice to the Bidder at any time prior to 8am on the Second Court Date if the Target Board determines that a Competing Proposal in respect of the Target Group (which did not arise from a breach of clause 9 by the Target) is a Superior Proposal; or

(e) (**Bidder Superior Proposal**) provided there has not been a material breach of the Bidder's obligations under clause 9, by the Bidder by written notice to the Target at any time prior to 8am on the Second Court Date if the Bidder Board determines that a Competing Proposal in respect of the Bidder Group (which did not arise from a breach of clause 9 by the Bidder) is a Superior Proposal;

(f) (**condition precedent not satisfied or waived**) by the Target or Bidder in accordance with clause 3.5(b); or

(g) (**prescribed event**)

(i) by the Target by written notice to the Bidder at any time prior to 8am on the Second Court Date if there is a Bidder Prescribed Event; or

(ii) by the Bidder by written notice to the Target at any time prior to 8am on the Second Court Date if there is a Target Prescribed Event.

### *10.2 Automatic termination*

This document will terminate automatically if, at any Scheme Meeting, the Target Shareholders do not approve the Scheme by the requisite majorities under section 411(4)(a)(ii) of the Corporations Act.

### *10.3 Termination*

Where a party has a right to terminate this document, that right for all purposes will be validly exercised if the party delivers a notice in writing to the other party stating that it terminates this document.

### *10.4 Effect of termination*

If this document is terminated, it will have no further force or effect and the rights and obligations of the parties under this document will cease, save that:

(a) clauses 1, 8, 10, 11 and 14 to 19 will survive termination, as do any other clauses that are by their nature intended to survive the termination or expiry of this document; and

(b) termination will be without prejudice to rights and liabilities of a party which have accrued before termination.

### *10.5 Remedies*

The parties acknowledge that damages may not be a sufficient remedy for breach of this document and that specific performance, injunctive relief or any other remedies which would otherwise be available in equity or law are available as a remedy for a breach or threatened breach of this document by any party, notwithstanding the ability of the other party to terminate this agreement or demand payment of any applicable amount.

## 11 Public announcements

### *11.1 Agreed Announcement*

As soon as reasonably practicable after the execution of this document

(a) the Bidder must release (including on ASX); and

(b) the Target must release (including via ASIC),

the Agreed Announcement, which includes either this document (as an attachment) or a summary of its key terms.

### *11.2 Restriction on other announcements*

(a) No party may make any press release or announcement or make any other public disclosure relating to the subject matter of this document unless the release, announcement, publication or other public disclosure:

(i) is required by this document, or is required to give effect to this document or the Scheme;

(ii) is required to be made under any applicable law or the rules of any recognised securities exchange;

(iii) is required by a Governmental Agency to be made by the party; or

(iv) has the prior approval of the other parties (such approval not to be unreasonably withheld, delayed or conditioned).

(b) Nothing in clause 11.2(a) prohibits a party from making any announcement or public disclosure if, in the reasonable opinion of its Board, failure to disclose at that time the information proposed to be contained in the announcement or public disclosure would reasonably be expected to be inconsistent with the proper exercise of the duties of the directors of that party.

### *11.3 Notification*

If a party is required by law, the rules of any recognised securities exchange or any Governmental Agency to do any of the things referred to in clause 11.2, or if clause 11.2(b) otherwise applies, it must to the extent reasonably practicable and lawful, consult with the other parties as to the timing, form and content of that announcement or disclosure.

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## 12 Board composition of the Bidder on Implementation

(a) The Board of the Bidder will, on Implementation, comprise Mr Hamish Halliday (as non-executive chairman), Mr Scott Williamson (as managing director) and Mr Geoff Gilmour (as a non-executive director).

(b) The Target must procure that Mr Geoff Gilmour provides his written consent to act as a director of the Bidder with effect from Implementation by no later than two Business Days prior to the Implementation Date.

(c) The Bidder must take all action in its control to achieve an outcome that:

(i) Mr Geoff Gilmour is appointed to the Board of the Bidder in accordance with the Bidder's constituent documents, the Corporations Act and the ASX Listing Rules with effect from Implementation; and

(ii) other than the directors referred to in this clause 12, each other director of the Bidder retires from the Board of the Bidder with effect from no later than the Implementation Date.

## 13 Indemnity, insurance and release

### *13.1 D&O insurance*

(a) Subject to the Scheme becoming Effective and subject to the Corporations Act, the Bidder undertakes in favour of the Target and each other Target Indemnified Party that it will:

(i) until the earlier of seven years from the Implementation Date or the relevant member of the Target Group ceasing to be controlled (within the meaning of section 50AA of the Corporations Act) by the Bidder), ensure that the constitutions of each member of the Target Group provide for each company to indemnify each of its directors and officers against any liability incurred by that person in their capacity as a director or officer of the company to the maximum extent permitted by law; and

(ii) until the earlier of seven years from the retirement of each director and officer of the relevant member of the Target Group or the relevant member of the Target Group ceasing to be controlled (within the meaning of section 50AA of the Corporations Act) by the Bidder), procure that each member of the Target Group complies with any deeds of indemnity, access and insurance made by them in favour of their respective directors and officers from time to time.

(b) Notwithstanding any other provision of this document, the Target may with the prior written consent of the Bidder, prior to the Implementation Date, enter into an arrangement to secure directors' and officers' run-off insurance for up to seven years from the Implementation Date, provided that:

(i) the Target seeks at least two proposals for directors' and officers' run-off insurance from reputable insurers that have a rating that is similar to or better than the rating of the insurers for the Target's directors' and officers' insurance policy in place as at the date of this document for the current financial year, which directors' and officers' run-off insurance policy:

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(A) has the same coverage;

(B) has the same deductible or excess; and

(C) is otherwise on terms substantially similar to,

the directors' and officers' insurance policies in place for the current directors of the Target;

(ii) the Target keeps the Bidder reasonably informed of all material developments in the tender process and provides a copy of the proposals received; and

(iii) the directors and officers' run-off insurance policy entered into by Target:

(A) is entered into before 5pm on the Business Day before the Second Court Date; and

(B) is the lowest cost policy (inclusive of the costs of brokerage, stamp duty and any other transaction costs) of the two proposals received which complies with the requirements in clause 13.1(b)(i).

Any actions to facilitate, or in connection with, that insurance will not be a Target Prescribed Event or a breach of any provision of this document. Without limiting clause 13.1(a)(i), the Bidder must ensure that such run-off insurance cover is maintained on terms no less favourable to the directors and officers than was the case on the Implementation Date.

### *13.2 Release by the Bidder*

To the maximum extent permitted by law, the Bidder releases its rights against each Target Indemnified Party (other than the members of the Target Group) and undertakes that neither it nor any member of the Bidder Group or Target Group will make any claim or demand of any nature (howsoever arising and whether present or future, fixed or unascertained, actual or contingent, whether at law, in equity, under statute or otherwise) against any such Target Indemnified Party in connection with any breach of any representations, covenants or warranties in this document or any disclosures in connection with this document except where the Target Indemnified Party has not acted in good faith or has engaged in wilful misconduct.

### *13.3 Release by the Target*

To the maximum extent permitted by law, the Target releases its rights against each Bidder Indemnified Party (other than members of the Bidder Group) and undertakes that it will not make any claim or demand of any nature (howsoever arising and whether present or future, fixed or unascertained, actual or contingent, whether at law, in equity, under statute or otherwise) against any such Bidder Indemnified Party in connection with any breach of any representations, covenants or warranties in this document or any disclosures in connection with this document except where the Bidder Indemnified Party has not acted in good faith or has engaged in wilful misconduct.

### *13.4 Benefit*

(a) The Target receives and holds the benefit of this clause 13 to the extent it relates to each Target Indemnified Party on behalf of each of them.

(b) The Bidder holds and holds the benefit of this clause 13 to the extent it relates to each Bidder Indemnified Party on behalf of each of them.

### *13.5 No limitation*

The rights of the Target Indemnified Parties under this clause 13 are in addition to and without prejudice to any rights to indemnification or insurance coverage which a Target Indemnified Party may have under the constitution of, or in any deed or other agreement with, any member of the Target Group.

## 14 Confidentiality Deed

Each party acknowledges and agrees that it remains bound by the Confidentiality Deed (other than those provisions which cease to apply on execution of this document), except that the terms of this document prevail over the Confidentiality Deed to the extent of any inconsistency.

## 15 GST and Tax

### *15.1 GST gross-up*

If a party (**supplier**) is required to pay GST in respect of a supply made under or in connection with (including by reason of a breach of) this document, except to the extent this document provides otherwise (for example, where a price is expressed to be inclusive of GST), the recipient of the supply must (in addition to any other payment for, or in connection with, the supply) pay to the supplier an amount equal to such GST (**GST gross-up**).

### *15.2 GST invoice*

If a GST gross-up is payable, then the supplier must give the recipient a tax invoice for the supply.

### *15.3 Payment*

Provided a tax invoice has been given, the GST gross-up must be paid by the recipient:

(a) if any monetary consideration is payable for the supply, at the same time and in the same manner as that monetary consideration; or

(b) if no monetary consideration is payable for the supply, within 10 Business Days after the day on which the tax invoice is given.

### *15.4 Reimbursements*

If any payment to be made to a party under or in connection with this document is a reimbursement or indemnification of an expense or other liability incurred or to be incurred by that party, then the amount of the payment must be reduced by the amount of any input tax credit to which that party is entitled for that expense or other liability, such reduction to be effected before any increase in accordance with clause 15.1.

### *15.5 Adjustments*

If an adjustment event has occurred in respect of a supply made under or in connection with this document, any party that becomes aware of the occurrence of that adjustment event must notify the other party as soon as practicable, and the parties agree to take whatever steps are necessary (including to issue an adjustment note), and to make whatever adjustments are required, to ensure that any GST or additional GST on that supply, or any

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refund of GST, is paid no later than one month after the supplier first becomes aware that the adjustment event has occurred.

### *15.6 Australian Tax roll-over*

(a) The Bidder acknowledges that each Scheme Shareholder who is an Australian resident shareholder who holds their shares on capital account may seek to apply for roll-over relief under subdivision 124-M of the Tax Act, to the extent the requirements imposed by the Tax Act can be satisfied.

(b) The Bidder undertakes that it will not make a choice to deny roll-over relief to the Scheme Shareholder under subsection 124-795(4) of the Tax Act.

### *15.7 Withholding*

(a) For the purposes of this clause 16.3, **Declaration** means a declaration provided by a Scheme Shareholder in accordance with section 14-225 and section 14-210(3) of Schedule 1 to the Taxation Administration Act.

(b) The Bidder shall be entitled to deduct or withhold any amounts (including taxes or stamp, transaction, or registration duties) required under applicable law that become due under the Scheme.

(c) If the Bidder determines (acting reasonably) that it is required to pay an amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act (a **CGT Withholding Amount**) with respect to the acquisition of the Scheme Shares from each Scheme Shareholder unless that Scheme Shareholder provides a Declaration, the Bidder will:

(i) determine the amount of the CGT Withholding Amount;

(ii) determine the amount of the Consideration Shares as is necessary in the opinion of the Bidder to account for the CGT Withholding Amount (taking into account potential fluctuations in share price and an amount necessary to cover costs associated with the share sale facility described in clause 4.4) that would otherwise have been issued to a Scheme Shareholder to be sold via the share sale facility described in clause 4.4;

(iii) the Sale Agent appointed under clause 4.4 will then pay to the Bidder the CGT Withholding Amount from the proceeds of the sales made under clause 4.4 (**Sale Proceeds**), after deducting any applicable fees, brokerage, taxes and charges (reasonably incurred by the Sale Agent) and the Bidder will then pay the CGT Withholding Amount to the Commissioner of Taxation within the time required under Subdivision 14-D of Schedule 1 to the Taxation Administration Act (or alternatively, where the Bidder remits the CGT Withholding Amount to the Commissioner of Taxation pursuant to Subdivision 14-D of Schedule 1 to the Taxation Administration Act, the Bidder will be entitled to retain as reimbursement an amount equal to the CGT Withholding Amount paid to the Commissioner of Taxation from the Sale Proceeds); and

(iv) be deemed to have satisfied its obligations to pay the CGT Withholding Amount to the Scheme Shareholder for the purposes of the Scheme.

(d) Prior to exercising its rights under this clause 15.7, the Bidder must use reasonable endeavours to notify the Scheme Shareholders of its intention to withhold so that each Scheme Shareholder has the opportunity to provide a Declaration.

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### *15.8 Definitions*

For the purposes of this document:

(a) terms used in this clause 15 that are defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) have the meaning given to them in that Act;

(b) a reference to a payment in this clause 15 includes any payment of money and any form of consideration other than payment of money; and

(c) all references to payments and obligations to make payments, including all references to compensation (including by way of reimbursement or indemnity), are, but for the operation of this clause 15.8(c), exclusive of GST.

## 16 Notices

### *16.1 How to give notices*

Any notice or other communication of a party contemplated by this document (including any agreement, request, demand, direction, consent, waiver or approval) must be:

(a) in writing in English, legible and signed by the party or its agent; and

(b) sent by express or registered post (with delivery confirmation) or email, or delivered, to the recipient, attention the recipient's contact, in each case using the relevant details set out in the Parties section of this document or any new details later notified by the recipient.

If a party sends a communication contemplated by this document other than by email, it must use all reasonable endeavours to send a copy of the communication promptly by email.

### *16.2 Time of receipt*

A communication contemplated by this document is taken to be received:

(a) if hand-delivered, at the time of delivery;

(b) if sent by express or registered post (with delivery confirmation), on the last day of the delivery period published by the relevant postal authority for delivery by that method to the recipient's location; and

(c) if sent by email, the earlier of:

(i) when the sender receives a delivery confirmation report that records the time that the email was delivered to the recipient's email address (unless the sender receives a delivery failure notification indicating that the email has not been delivered to the recipient's email address, or the sender knows or reasonably ought to know that the email was not delivered to the recipient's email address or the recipient could not open the communication due to its format);

(ii) the time the email becomes capable of being retrieved by the recipient's email address; and

(iii) the time it is otherwise established that the email (including any attachment) came to the attention of the recipient.

If due to this clause 16.2 a communication would be taken to be received on a day that is not, or after 5pm on, a business day in the place of receipt, the communication is taken to

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have been received at 9am on the first business day in the place of receipt after that day (other than in respect of a notice given on, and before 8am on, the Second Court Date). The place of receipt of an email is the address of the recipient contemplated by clause 16.1(b).

## 17 Governing law and jurisdiction

This document is governed by the laws of Western Australia. Each party irrevocably submits to the non-exclusive jurisdiction of the courts of, and Commonwealth courts having jurisdiction in that place, and waives any right to object to proceedings being brought in those courts on the basis that proceedings have been brought in an inconvenient forum.

## 18 General

### *18.1 Costs and duty*

(a) Except where expressly provided otherwise, each party must bear its own costs in relation to the negotiation, preparation, execution and performance of this document, the Scheme, the Deed Poll and the steps to be taken under or in connection with each of them.

(b) The Bidder must:

(i) pay all stamp duties (if any) and any fines and penalties with respect to stamp duty in connection with this document, the Scheme, the Deed Poll or the steps to be taken under or in connection with each of them; and

(ii) indemnify the Target and each Scheme Shareholder against any liability arising from any failure to comply with clause 18.1(b)(i).

### *18.2 Entire agreement*

This document (and the Confidentiality Deed) embodies the entire agreement between the parties in respect of its subject matter.

### *18.3 Variation*

This document can only be varied by a document signed by all of the Bidder and the Target.

### *18.4 Further acts*

Each party must, at its own expense, do all things (including the execution and delivery of documents) required by law or reasonably requested by another party to give effect to this document and the transactions contemplated by it.

### *18.5 No assignment*

A party cannot assign or otherwise deal with its rights under this document without the consent of the other party.

### *18.6 Exercise of rights*

A party may exercise a right or a remedy, or give or withhold a consent, waiver or approval, in its absolute discretion (including by imposing conditions), unless this document expressly provides otherwise.

### *18.7 Waiver*

A party is only bound by a waiver that it gives or confirms in writing. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given. No other

conduct of a party (including a failure to exercise, or delay in exercising, a right) operates as a waiver of a right or otherwise prevents the exercise of a right.

### *18.8 Indemnities*

Unless this document provides otherwise:

(a) each indemnity in this document is a continuing obligation, separate and independent from the other obligations of the parties, and survives termination, completion or expiration of this document;

(b) it is not necessary for a party to incur expense or make any payment before enforcing a right of indemnity conferred by this document; and

(c) the making of a claim by a party under an indemnity contained in this document in respect of a particular event does not preclude that party from subsequently making further claims under that indemnity in respect of the same event.

### *18.9 Compliance with obligations*

Both parties must honour each of its obligations under this document, the Scheme, the Deed Poll and any other obligations arising in connection with the Scheme.

### *18.10 No merger*

The warranties, undertakings and indemnities in this document do not merge on completion of any transaction under or contemplated by this document.

### *18.11 Severance*

If a provision of this document would, but for this clause 18.11, be void, unenforceable or illegal in a jurisdiction:

(a) the provision is read down to the extent necessary to avoid that result; and

(b) if the provision cannot be read down, to that extent, it is severed in that jurisdiction,

without affecting the validity and enforceability of that provision in any other jurisdiction or any other provisions of this document. This clause 18.11 has no effect if its operation alters the basic nature of this document or is contrary to public policy.

## 19 Counterparts and execution

### *19.1 Counterparts*

This document may be executed in counterparts which together constitute one instrument but is not effective until each party has executed at least one counterpart and the counterparts have been exchanged. Each party consents to the exchange of counterparts by email or other electronic means.

### *19.2 Authority of signatory*

Each person, who executes this document on behalf of a party under a power of attorney or other authority, declares and warrants that they are not aware of any fact or circumstance that might affect their authority to do so under that authority.

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# Schedule 1 – Tenements

## 1 Bidder Tenements

| Project | Location | Tenement | Interest |
|---|---|---|---|
| **Gold Bridge** | British Columbia, Canada | 501174, 502808 | 100% |
| | British Columbia, Canada | 503409, 564599 | 100% |
| | British Columbia, Canada | 573344, 796483 | 100% |
| | British Columbia, Canada | 844114, 1020030 | 100% |
| | British Columbia, Canada | 1047915, 1055449 | 100% |
| | British Columbia, Canada | 1046246, 1046253 | 100% |
| | British Columbia, Canada | 1050797, 1052563 | 100% |
| | British Columbia, Canada | 1052564, 1052989 | 100% |
| | British Columbia, Canada | 1052990, 1052991 | 100% |
| | British Columbia, Canada | 1052992, 1052993 | 100% |
| | British Columbia, Canada | 1055836, 1055837 | 100% |
| | British Columbia, Canada | 1055838, 1055839 | 100% |
| | British Columbia, Canada | 1055840, 1055859 | 100% |
| | British Columbia, Canada | 1055860, 1055861 | 100% |
| | British Columbia, Canada | 1055862, 1055863 | 100% |
| | British Columbia, Canada | 1055864, 1052630 | 100% |
| | British Columbia, Canada | 1052893, 1065892 | 100% |
| | British Columbia, Canada | 1066580, 1066581 | 100% |
| | | | |
| **Ta Khoa** | Vietnam | ML 1211/GPKT-BTNMT | 90% |
| | Vietnam | and 522 G/P | 90% |

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## Schedule 2– Timetable

| Event | Date |
|---|---|
| Announce Transaction | Thursday, 6 February 2025 |
| Target submits draft Scheme Booklet to ASIC and ASX | Wednesday, 19 March 2025 |
| First Court Date | Tuesday, 8 April 2025 |
| Scheme Booklet sent to Scheme Shareholders | Thursday, 10 April 2025 |
| Scheme Meeting | Friday, 16 May 2025 |
| Second Court Date | Monday, 19 May 2025 |
| Effective Date | Tuesday, 20 May 2025 |
| Record Date | Thursday, 22 May 2025 |
| Implementation Date | Thursday, 29 May 2025 |
| Normal trading of Bidder shares commences | Friday, 30 May 2025 |

*Note: The dates in this Timetable are indicative only and are subject to ASX's approval of the Timetable in accordance with Appendix 7A of the ASX Listing Rules and the availability of the Court.*

# Execution

**EXECUTED** as a deed

**Executed** by **IDM International Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

| | |
|---|---|
| Director signature | Director/Secretary signature |
| Director full name<br>(BLOCK LETTERS) | Director/Secretary full name<br>(BLOCK LETTERS) |

**Executed** by **Blackstone Minerals Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

| | |
|---|---|
| Director signature | Director/Secretary signature |
| Scott Williamson<br>Director full name<br>(BLOCK LETTERS) | Jamie Byrde<br>Director/Secretary full name<br>(BLOCK LETTERS) |

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Docusign Envelope ID: 6DD4956F-2E01-40E5-BA6A-7B3C6B440EE6



# Execution

**EXECUTED** as an agreement

**Executed** by **Blackstone Minerals Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

| | |
|---|---|
| Director signature | Director/Secretary signature |
| Director full name<br>(BLOCK LETTERS) | Director/Secretary full name<br>(BLOCK LETTERS) |

**Executed** by **IDM International Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

| | |
|---|---|
| Signed by:<br>Geoffrey Mark Gilmour<br>94E00B1C1EB845D...<br>Director signature | Signed by:<br>Oliver William Cairns<br>445037CBAFD94D5...<br>Director/Secretary signature |
| Geoffrey Mark Gilmour<br>Director full name<br>(BLOCK LETTERS) | Oliver William Cairns<br>Director/Secretary full name<br>(BLOCK LETTERS) |

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# Annexure 1 – Scheme

*[See overleaf]*

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IDM International Limited

Each person registered in the Target Register as the holder of Scheme Shares as at the Record Date

# Scheme of Arrangement

Pursuant to section 411 of the Corporations Act

JOHNSON | WINTER | SLATTERY

Level 49 Central Park, 152-158 St Georges Terrace
PERTH WA 6000
T +61 8 6216 7222 | F +61 8 6216 7200
www.jws.com.au

Liability limited by a scheme approved under Professional Standards Legislation

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# Scheme of Arrangement

## Date

## Parties

**1** **IDM International Limited** (ACN 108 029 198) (**Target**)

Address: 36 Riverside Road, East Fremantle, Western Australia, 6158

Email: geoff@willowood.com.au

Contact: Mr Geoff Gilmour

**2** Each person registered in the Target Register as the holder of Scheme Shares as at the Record Date (**Scheme Shareholder**)

## Recitals

**A** The Target is a public unlisted company limited by shares, incorporated in Australia and taken to be registered in Western Australia.

**B** As at the date of the Scheme Implementation Deed, the Target had on issue or had granted (as applicable):

(a) 92,026,627 Target Shares;

(b) 3,800,000 IDMUOPT2 options with an exercise price of $0.20 per option expiring on 14 February 2026;

(c) 6,245,000 IDMUOPT4 options with an exercise price of $0.40 per option expiring on 1 November 2026;

(d) 1,250,000 IDMUOPT5 options with an exercise price of $0.40 per option expiring on 5 February 2029; and

(e) 1,500,000 performance rights.

**C** The Bidder is a public company limited by shares, incorporated in Australia and taken to be registered in Western Australia, Australia. The Bidder is admitted to the official list of the ASX and the Bidder Shares are officially quoted on the ASX.

**D** The Target and the Bidder have entered into the Scheme Implementation Deed pursuant to which, among other things, the Target has agreed to propose the Scheme to the Target Shareholders, and each of the Target and the Bidder have agreed to take certain steps to give effect to this Scheme.

**E** If the Scheme becomes Effective, then:

(a) all of the Scheme Shares, and all the rights and entitlements attaching to them as at the Implementation Date, will be transferred to the Bidder;

(b) the Bidder will provide the Scheme Consideration to the Scheme Shareholders in accordance with the provisions of this Scheme; and

(c) the Target will enter the name and address of the Bidder in the Target Register as the holder of the Scheme Shares.

**F** The Bidder has entered into the Deed Poll for the purpose of covenanting in favour of Scheme Shareholders to perform the obligations attributed to it under this Scheme.

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## Operative part

# 1 Definitions and interpretation

### *1.1 Definitions*

The following definitions apply in this document, unless the context requires otherwise.

In this Scheme:

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as the Australian Securities Exchange operated by it.

**ASX Listing Rules** means the official listing rules of the ASX.

**Bidder** means Blackstone Minerals Limited (ACN 614 534 226).

**Bidder Constitution** means any constitution adopted by the Bidder and, except to the extent overridden by such a constitution, the replaceable rules specified in section 141 of the Corporations Act.

**Bidder Registry** means Automic Group.

**Bidder Share** means a fully paid ordinary share in the Bidder.

**Business Day** has the meaning given in the ASX Listing Rules.

**Consideration Share** means a Bidder Share issued as Scheme Consideration.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Court** means the Supreme Court of Western Australia or such other court of competent jurisdiction under the Corporations Act as agreed by the Target and the Bidder in writing.

**Deed Poll** means the deed poll dated [insert] under which the Bidder covenants in favour of the Scheme Shareholders to perform the obligations attributed to it under this Scheme.

**Effective** means the coming into effect, pursuant to section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) in relation to the Scheme.

**Effective Date** means the date upon which the Scheme becomes Effective.

**Encumbrance** means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any "security interest" as defined in sections 12(1) or 12(2) of the PPSA or any agreement to create any of them or allow them to exist.

**End Date** means six months after the date of the Scheme Implementation Deed or such other date as the Target and the Bidder agree in writing.

**Governmental Agency** means any government or representative of a government or any governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, tribunal, agency, competition authority or entity in any jurisdiction. It includes ASIC, ASX (and any other securities exchange) and the Takeovers Panel and any self-regulatory organisation established under statute.

**Implementation Date** means the fifth Business Day following the Record Date or such other date as is agreed by the Target and Bidder in writing.

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**Ineligible Shareholder** means an Ineligible Overseas Shareholder or a Scheme Shareholder referred to in clause 4.5 (to the extent that Consideration Shares are required to be issued in accordance with clause 4.5(b)).

**Ineligible Overseas Shareholder** means a Scheme Shareholder whose Registered Address is a place outside Australia and its external territories and New Zealand, unless the Bidder determines (acting reasonably) that it is lawful and not unduly onerous or impracticable to issue that Scheme Shareholder with Consideration Shares when the Scheme becomes Effective.

**PPSA** means the *Personal Property Securities Act 2009* (Cth).

**Proceeds** has the meaning given in clause 4.4(a)(ii).

**Record Date** means 7pm (Sydney time) on the fifth Business Day following the Effective Date or such other date as the Target and the Bidder agree in writing.

**Registered Address** means, in relation to a Scheme Shareholder, their address as shown in the Target Register as at the Record Date.

**Related Body Corporate** has the meaning given in the Corporations Act.

**Sale Agent** means a person appointed by the Target to sell the Consideration Shares that are to be issued to Ineligible Shareholders.

**Scheme** means this scheme of arrangement under Part 5.1 of the Corporations Act between the Target and the Scheme Shareholders, subject to any alterations or conditions (whether proposed by a party or made or required by the Court) which are agreed in writing by the Target and the Bidder.

**Scheme Consideration** means the consideration to be provided or procured by the Bidder to Scheme Shareholders in consideration for the transfer of the Scheme Shares held by Scheme Shareholders to the Bidder, being 7.4 Consideration Shares per Scheme Share.

**Scheme Implementation Deed** means the scheme implementation deed dated [insert] between the Target and the Bidder relating to the implementation of this Scheme, as amended, substituted or replaced from time to time.

**Scheme Meeting** means the meeting of Target Shareholders (or, where applicable, meetings of any classes of them) ordered by the Court to be convened pursuant to subsection 411(1) of the Corporations Act in respect of this Scheme.

**Scheme Share** means a Target Share on issue as at the Record Date.

**Scheme Shareholder** means a Target Shareholder as at the Record Date.

**Scheme Transfer** means, in relation to each Scheme Shareholder, a duly completed and executed proper instrument of transfer of their Scheme Shares to the Bidder for the purpose of section 1071B of the Corporations Act, which will be in the form of a master share transfer form of all of the Scheme Shares.

**Second Court Date** means the first day on which the application made to the Court for an order under section 411(4)(b) of the Corporations Act approving the Scheme is, or is to be, heard or, if the application is adjourned for any reason, the first day on which the adjourned application is heard.

**Target Register** means the register of members of the Target.

**Target Registry** means Automic Group.

**Target Share** means a fully paid ordinary share in the Target.

**Target Shareholder** means a person who is recorded in the Target Register as the holder of the Target Shares at the time of the relevant inquiry or as at the referenced date.

### *1.2 Interpretation*

In this Scheme, the following rules of interpretation apply unless the contrary intention appears.

(a) Any heading, index, table of contents or marginal note is for convenience only and does not affect the interpretation of this document.

(b) The singular includes the plural and vice versa.

(c) A person includes an individual, body corporate, firm, partnership, joint venture, unincorporated body and Governmental Agency.

(d) A reference to:

(i) a person includes that person's successors, permitted substitutes and permitted assigns;

(ii) a clause, schedule, attachment, annexure or exhibit is to a clause of, or a schedule, attachment, annexure or exhibit to, this document;

(iii) this document or another document includes that document as amended, varied, supplemented, novated or replaced from time to time and any schedule, attachment, annexure or exhibit to that document;

(iv) "agreement" includes an undertaking, deed, contract or other legally enforceable arrangement, whether or not in writing, and a reference to "document" includes an agreement (as so defined) in writing or any certificate, notice, instrument or other document of any kind;

(v) "law" includes the common law, principles of equity and legislation (including regulations, orders and instruments issued under legislation);

(vi) legislation or a provision of legislation includes all regulations, orders or instruments issued under that legislation or provision and any modification, consolidation, amendment, re-enactment, replacement or codification of such legislation or provision;

(vii) "include", "including" and "for example", and similar expressions, when introducing an item or a list of items, does not limit the meaning of the introductory wording to those items or to items of a similar kind;

(viii) dollars or $ is to Australian dollars; and

(ix) time is to the time in Perth, Western Australia.

(e) Where a word or expression is defined or given meaning, another grammatical form has a corresponding meaning.

(f) A provision of this document must not be construed to the disadvantage of a party merely because that party was responsible for the preparation of this document or the inclusion of the provision in this document.

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(g) A period of time expressed to commence:

(i) before or after a given day, or before or after the day of an act or event, is to be calculated exclusive of that day; and

(ii) on a given day, or on the day of an act or event, is to be calculated inclusive of that day.

(h) Where the day on or by which any thing is to be done is not a Business Day, that thing must be done on or by the previous Business Day.

## 2 Conditions precedent

### *2.1 Conditions precedent*

This Scheme is conditional upon and will have no force or effect until each of the following conditions precedent is satisfied:

(a) as at 8am on the Second Court Date, neither the Scheme Implementation Deed nor the Deed Poll has been terminated;

(b) as at 8am on the Second Court Date, all of the conditions precedent set out in clause 3.1 of the Scheme Implementation Deed (other than the condition precedent in clause 3.1(e) (*Court approval*) of the Scheme Implementation Deed) have been satisfied or waived in accordance with the terms of the Scheme Implementation Deed;

(c) the Court having approved this Scheme, with or without modification or condition, pursuant to section 411(4)(b) of the Corporations Act, and if applicable, the Target and the Bidder having accepted in writing any modification or condition made or required by the Court under section 411(6) of the Corporations Act;

(d) such other conditions made or required by the Court under subsection 411(6) of the Corporations Act in relation to this Scheme and agreed to by the Target and the Bidder (each acting reasonably) having been satisfied or waived; and

(e) the coming into effect, pursuant to section 411(10) of the Corporations Act on or before the End Date (or any later date that the Target and Bidder agree in writing), of the orders of the Court made under section 411(4)(b) of the Corporations Act (and, if applicable, section 411(6) of the Corporations Act) in relation to this Scheme.

### *2.2 Conditions precedent and operation of clauses 3 and 4*

The satisfaction of each condition of clause 2.1 is a condition precedent to the operation of clauses 3 and 4, which will not come into effect unless and until each of those conditions have been satisfied.

### *2.3 Certificate*

(a) At the Court hearing on the Second Court Date:

(i) the Target must provide the Court with a certificate (or such other evidence as the Court may request) confirming (in respect of matters within its own knowledge) whether or not all of the conditions in clauses 2.1(a) and 2.1(b) have been satisfied or waived and that the Target has performed its obligations under clause 7.6 of the Scheme Implementation

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Deed (so far as they are required to be performed before 8am on the Second Court Date); and

(ii) the Bidder must provide the Court with a certificate (or such other evidence as the Court may request) confirming (in respect of matters within its own knowledge) whether or not the conditions set out in clauses 2.1(a) and 2.1(b) have been satisfied or waived (so far as they are required to be performed before 8am on the Second Court Date).

(b) Where the certificates disclose that any of those conditions precedent has been satisfied or waived in accordance with the terms of the Scheme Implementation Deed, they will constitute conclusive evidence (in the absence of manifest error) of the satisfaction or waiver of the condition (as the case may be).

### *2.4 Lapse of Scheme*

Without limiting any rights under the Scheme Implementation Deed, unless the Bidder and the Target agree otherwise in writing, the Scheme will lapse and be of no further force or effect if the Scheme Implementation Deed or the Deed Poll is terminated, or if the Effective Date does not occur by the End Date.

## 3 Implementation of the Scheme

### *3.1 Lodgement of Court orders*

By no later than 5pm on the first Business Day following the date on which the Court makes orders approving the Scheme (or such later date as agreed in writing by the Bidder), the Target must lodge with ASIC an office copy of the Court order approving this Scheme in accordance with section 411(10) of the Corporations Act.

### *3.2 Effective Date of this Scheme*

Subject to clause 2.4, this Scheme will become Effective on and from the Effective Date.

### *3.3 Transfer of Scheme Shares*

Subject to this Scheme becoming Effective in accordance with clause 3.2, the following actions will occur (in the order set out below) on the Implementation Date:

(a) subject to the provision of the Scheme Consideration to the Scheme Shareholders (or to the Sale Agent in accordance with clause 4.4) in the manner contemplated by clause 4, all of the Scheme Shares, together with all rights and entitlements attaching to the Scheme Shares at the Implementation Date, must be transferred to the Bidder without the need for any further act by any Scheme Shareholder (other than acts performed by the Target or any of its directors or officers as attorney and agent for Scheme Shareholders under clause 6.6), by:

(i) the Target delivering to the Bidder a duly completed Scheme Transfer, executed on behalf of the Scheme Shareholders by the Target, for registration; and

(ii) the Bidder duly executing the Scheme Transfer, attending to the stamping of the Scheme Transfer (if required) and delivering it to the Target for registration; and

(b) immediately following receipt of the duly executed Scheme Transfer from the Bidder under clause 3.3(a)(ii), but subject to the stamping of the Scheme Transfer

(if required), the Target must enter, or must procure the entry of, the name and address of the Bidder in the Target Register as the holder of the Scheme Shares.

## 4 Scheme Consideration

### *4.1 Provision of Scheme Consideration*

Subject to this clause 4:

(a) on or before the Implementation Date, the Bidder must issue the Scheme Consideration to the Scheme Shareholders and procure that the name and address of each Scheme Shareholder is entered in the Bidder Register in respect of those Consideration Shares; and

(b) on or before the Implementation Date, the Bidder must send or procure the sending of an uncertificated holding statement (or equivalent document) to the Registered Address of each Scheme Shareholder, representing the number of Consideration Shares issued to the Scheme Shareholder pursuant to this Scheme.

### *4.2 Status of Consideration Shares*

Subject to this Scheme becoming Effective, the Bidder must:

(a) ensure that the Consideration Shares issued by it under this Scheme rank equally in all respects with each other Bidder Share on issue at the time and have the rights set out in the Bidder Constitution;

(b) ensure that each such Consideration Share is duly and validly issued in accordance with all applicable laws and the Bidder Constitution, and is fully paid and free from any Encumbrances, third party interests (whether legal or equitable) or restrictions on transfer; and

(c) use its reasonable endeavours to ensure that the Consideration Shares will be listed for quotation on the official list of ASX and commence trading on a normal settlement basis no later than the first Business Day after the Implementation Date.

### *4.3 Joint holders*

In the case of Scheme Shares held in joint names:

(a) the Consideration Shares to be issued by the Bidder under this Scheme must be issued to and registered in the Bidder Register in names of the joint holders, and entry in the Bidder Register must take place in the same order as the joint holders' names appear in the Target Register;

(b) any cheque required to be sent under this Scheme must be payable to the joint holders and sent to either, at the sole discretion of the Target, the holder whose name appears first in the Target Register on the Record Date or to the joint holders; and

(c) any other document required to be sent under this Scheme, will be forwarded to the holder whose name appears first in the Target Register as at the Record Date.

### *4.4 Ineligible Shareholders*

(a) The Bidder will be under no obligation to issue any Consideration Shares under this Scheme to any Ineligible Shareholder and instead:

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(i) subject to clause 4.8, Bidder must, on or before the Implementation Date, issue such Consideration Shares which would otherwise be required to be issued to those Ineligible Shareholders under this Scheme to the Sale Agent;

(ii) the Bidder must procure that as soon as reasonably practicable on or after the Implementation Date (and in any event not more than 30 Business Days after the Implementation Date), the Sale Agent:

(A) sells or procures the sale on the ASX of all the Consideration Shares issued to the Sale Agent pursuant to clause 4.4(a)(i) in such manner, at such price and on such other terms as the Sale Agent determines in good faith: and

(B) remits to the Target the proceeds received from the sale under clause 4.4(a)(ii)(A), after deducting any reasonable and applicable fees, brokerage, stamp duty and other costs, taxes and charges (**Proceeds**);

(iii) promptly after receiving the Proceeds in respect of the sale of all of the Consideration Shares referred to in clause 4.4(a)(i), the Target must pay, or procure the payment, to each Ineligible Shareholder, of the amount '**A**' calculated in accordance with the following formula and rounded down to the nearest cent:

**A = (B ÷ C) x D**

where

**B** = the number of Consideration Shares that would otherwise have been issued to that Ineligible Shareholder had it not been an Ineligible Shareholder and which were issued to the Sale Agent;

**C** = the total number of Consideration Shares which would otherwise have been issued to all Ineligible Shareholders and which were issued to the Sale Agent; and

**D** = the Proceeds.

(b) The Ineligible Shareholders acknowledge that none of the Target, the Bidder or the Sale Agent gives any assurance as to the price that will be achieved for the sale of Consideration Shares described in clause 4.4(a) and that the Target, the Bidder and the Sale Agent expressly disclaim any fiduciary duty to the Ineligible Shareholders which may arise in connection with this clause 4.4.

(c) The Target must make, or procure the making of, payments to Ineligible Shareholders under clause 4.4(a) by either (in the absolute discretion of the Target and despite any election referred to in clause 4.4(c)(i) or authority referred to in clause 4.4(c)(ii) given by the Ineligible Shareholder):

(i) where an Ineligible Shareholder has, before the Record Date, made a valid election in accordance with the requirements of the Target Registry to receive dividend payments from the Target by electronic funds transfer to a bank account nominated by that Ineligible Shareholder, paying, or procuring the payment of, the relevant amount in Australian currency by electronic means in accordance with that election;

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(ii) paying, or procuring the payment of, the relevant amount in Australian currency by electronic means to a bank account nominated by the relevant Ineligible Shareholder by an appropriate authority from that Ineligible Shareholder to the Target; or

(iii) dispatching, or procuring the dispatch of, a cheque for the relevant amount in Australian currency to the Ineligible Shareholder by prepaid post to their Registered Address, such cheque being drawn in the name of that Ineligible Shareholder (or in the case of joint holders, in accordance with the procedures set out in clause 4.3).

(d) If the Target receives professional advice that any withholding or other tax is required by law or by a Governmental Agency to be withheld from a payment to an Ineligible Shareholder, the Target is entitled to withhold the relevant amount before making the payment to the Ineligible Shareholder (and payment of the reduced amount shall be taken to be full payment of the relevant amount for the purposes of this Scheme, including clauses 4.4(a)(iii) and 4.4(f)). The Target must pay any amount so withheld to the relevant taxation authorities within the time permitted by law, and, if requested in writing by the relevant Ineligible Shareholder, provide a receipt or other appropriate evidence of such payment (or procure the provision of such receipt or other evidence) to the relevant Ineligible Shareholder.

(e) Each Ineligible Shareholder appoints the Target as its agent to receive on its behalf any financial services guide (or similar or equivalent document) or other notices (including any updates of those documents) that the Sale Agent is required to provide to those Ineligible Shareholders under the Corporations Act or any other applicable law.

(f) Payment of the amount calculated in accordance with clause 4.4(a) to an Ineligible Shareholder in accordance with this clause 4.4 satisfies in full the Ineligible Shareholder's right to Scheme Consideration.

### *4.5 Other Ineligible Shareholders*

Where the issue of Consideration Shares to which a Scheme Shareholder would otherwise be entitled under this Scheme would result in a breach of law:

(a) the Bidder will issue the maximum possible number of Consideration Shares to the Scheme Shareholder without giving rise to such a breach; and

(b) any further Consideration Shares to which that Scheme Shareholder is entitled, but the issue of which to the Scheme Shareholder would give rise to such a breach, will instead be issued to the Sale Agent and dealt with as if a reference to Ineligible Shareholders in this Scheme also included that Scheme Shareholder and references to that person's Consideration Schemes were limited to the Consideration Shares issued to the Sale Agent under this clause.

### *4.6 Unclaimed money*

(a) The Target may cancel a cheque issued under this clause 4 if the cheque:

(i) is returned to the Target; or

(ii) has not been presented for payment within six months after the date on which the cheque was sent.

(b) On request in writing from a Scheme Shareholder to the Target (or the Target Registry) received from the date 20 Business Days after the Implementation Date

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until the first anniversary of the Implementation Date, the Target must reissue a cheque that was previously cancelled under this clause 4.6.

(c) The *Unclaimed Money Act 1990* (WA) will apply in relation to any Scheme Consideration which becomes 'unclaimed money' (as defined in section 3 of that Act).

### *4.7 Fractional entitlements and share splitting or division*

(a) Where the calculation of the Scheme Consideration to be provided to a particular Scheme Shareholder would result in the Scheme Shareholder becoming entitled to a fraction of a Consideration Share, the fractional entitlement will be rounded up or down to the nearest whole number of Consideration Shares, with fractions of 0.5 being rounded up.

(b) If the Bidder is of the opinion (acting reasonably) that two or more Scheme Shareholders (each of whom holds a number of Scheme Shares which results in rounding in accordance with clause 4.7(a)) have, before the Record Date, been party to shareholding splitting or division in an attempt to obtain unfair advantage by reference to such rounding, the Target must, if so directed by the Bidder, give notice to those Scheme Shareholders:

(i) setting out their names and registered addresses as shown in the Target Register;

(ii) stating that opinion; and

(iii) attributing to one of them specifically identified in the notice the Scheme Shares held by all of them;

and, after such notice has been given, the Scheme Shareholder specifically identified in the notice as the deemed holder of all of the specified Scheme Shares will, for the purposes of the other provisions of the Scheme, be taken to hold all of those Scheme Shares and each of the other Scheme Shareholders whose names and registered addresses are set out in the notice will, for the purposes of the other provisions of the Scheme, be taken to hold no Scheme Shares. The Bidder in complying with the other provisions of the Scheme relating to it in respect of the Scheme Shareholder specifically identified in the notice as the deemed holder of all of the specified Scheme Shares, will be taken to have satisfied and discharged its obligations to the other Scheme Shareholders named in the notice under the terms of the Scheme.

### *4.8 Orders of a court or Governmental Agency*

If written notice is given to the Bidder (or the Bidder Registry) or the Target (or the Target Registry) of an order or direction made by a court of competent jurisdiction or by another Governmental Agency:

(a) which requires payment to a third party (either through payment of a sum or the issuance of a security) in respect of Scheme Shares held by a particular Scheme Shareholder, which would otherwise be payable or required to be issued to that Scheme Shareholder by the Bidder or the Target in accordance with this clause 4, then the Bidder or the Target (as applicable) shall be entitled to procure that provision of that consideration is made in accordance with that order or direction; or

(b) which would prevent the Bidder or the Target from providing consideration to any particular Scheme Shareholder in accordance with this clause 4, or if the issuance

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of such consideration is otherwise prohibited by applicable law, the Bidder or the Target (as applicable) shall be entitled:

(i) in the case of an Ineligible Shareholder, to retain an amount, in Australian dollars, equal to the relevant Ineligible Shareholder's share of the Proceeds; or

(ii) not to issue, or to issue to a trustee or nominees such number of Consideration Shares as that Scheme Shareholder would otherwise be entitled to under clause 4.1,

until such time as provision of the Scheme Consideration in accordance with this clause 4 is permitted by that (or another) order or direction or otherwise by law.

## 5 Dealings in Target Shares

### *5.1 Determination of Scheme Shareholders*

(a) For the purpose of establishing who is a Scheme Shareholder, dealings in the Target Shares or other alterations to the Target Register will only be recognised if in all other cases, registrable transfers or transmission applications in respect of those dealings, or valid requests in respect of other alterations, are received at the place where the Target Register is kept by 7pm (Sydney time) on the Record Date, and the Target will not accept for registration or recognise for any purpose (except a transfer to the Bidder under this Scheme and any subsequent transfer by the Bidder or its successors in title) any transfer or transmission application or other such request in respect of the Target Shares received after such times, or received prior to such times but not in registrable or actionable form, as appropriate.

(b) The Target must register any registrable transfers or transmission applications of the type referred to in clause 5.1(a) that are received by the Record Date.

### *5.2 Target Register*

(a) The Target must, until the Scheme Consideration has been provided to Scheme Shareholders in accordance with this Scheme and the name and address of the Bidder has been entered in the Target Register as the holder of all Scheme Shares, maintain or procure the maintenance of the Target Register in accordance with the provisions of this clause 5 and the Target Register in this form will solely determine entitlements to Scheme Consideration.

(b) As from the Record Date (other than for the Bidder after the Implementation Date), each entry current at that time in the Target Register in relation to the Scheme Shares will cease to be of any effect other than as evidence of the entitlement of Scheme Shareholders to the Scheme Consideration in accordance with this Scheme in respect of those Scheme Shares.

### *5.3 Certificates and holding statements*

All certificates and statements of holding for Scheme Shares held by Scheme Shareholders shall, following the Record Date, cease to have any effect as documents of title in respect of such Scheme Shares.

### *5.4 Provision of information*

(a) As soon as practicable after the Record Date and in any event at least three Business Days before the Implementation Date, the Target must, or must procure,

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that details of the following matters (in respect of each Scheme Shareholder) are given to the Bidder in the form the Bidder reasonably requires:

(i) the names, Registered Addresses and registered holdings of Scheme Shares;

(ii) (unless otherwise agreed by the Bidder) the instructions, notifications or elections deemed by virtue of clause 6.7 to be made by the Scheme Shareholders to the Bidder; and

(iii) such other information as the Bidder may reasonably require in connection with the provision of the Consideration Shares to the Scheme Shareholders in accordance with this Scheme.

(b) Each Scheme Shareholder agrees that this information may be disclosed to the Bidder, the Bidder Registry and the Bidder's advisers and other service providers to the extent necessary to effect the Scheme.

### *5.5 No disposals after Record Date*

If the Scheme becomes Effective, each Scheme Shareholder, and any person claiming through that Scheme Shareholder, must not in any way, deal with or dispose of or purport or agree to deal with or dispose of, any Scheme Shares or any interest in them except as set out in the Scheme, after the Record Date and any attempt to do so will be void and will have no legal effect whatsoever.

## 6 General Scheme provisions

### *6.1 Binding effect of Scheme*

Each Scheme Shareholder acknowledges that this Scheme binds the Target and all of the Scheme Shareholders (including those who do not attend the members' meeting of the Target to approve the Scheme or do not vote at that meeting or who vote against the Scheme at the meeting) and, to the extent of any inconsistency and as permitted by law, overrides the constitution of the Target.

### *6.2 Agreement by Scheme Shareholders*

Each Scheme Shareholder (and, in respect of clause 6.2(d) only, the Sale Agent on behalf of all Ineligible Shareholders) irrevocably:

(a) agrees to transfer its Scheme Shares, together with all rights and entitlements attaching to those Scheme Shares to the Bidder in accordance with this Scheme;

(b) agrees to any variation, cancellation or modification (if any) of the rights attached to its Scheme Shares constituted by or resulting from this Scheme;

(c) agrees to, on the direction of the Bidder, destroy any share certificates or holding statement relating to their Scheme Shares;

(d) agrees to become a member of the Bidder and to be bound by the terms of the Bidder Constitution (where the Scheme Shareholder will be issued Consideration Shares); and

(e) acknowledges and agrees that this Scheme binds the Target and all Scheme Shareholders (including those who do not attend the Scheme Meeting and those who do not vote, or vote against this Scheme, at the Scheme Meeting).

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### *6.3 Warranties by Scheme Shareholders*

(a) Each Scheme Shareholder is deemed to have warranted to the Target and the Bidder, and to have appointed and authorised the Target as its attorney and agent to warrant to the Bidder on the Implementation Date, that:

(i) all their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) will, at the date of transfer of them to the Bidder pursuant to the Scheme, be fully paid and free from all Encumbrances, third party interests (whether legal or equitable) or restrictions on transfer of any kind;

(ii) they have full power and capacity to sell and to transfer their Scheme Shares (including any rights and entitlements attaching to those Scheme Shares) to the Bidder under the Scheme; and

(iii) they have no existing right to be issued any Target Shares or other securities in the Target.

(b) The Target undertakes to provide each such warranty to the Bidder as agent and attorney of each Scheme Shareholder.

### *6.4 Title to and rights in Scheme Shares*

To the extent permitted by law, the Scheme Shares (including all rights and entitlements attaching to the Scheme Shares) transferred under this Scheme to the Bidder will, at the time of transfer of them to the Bidder, vest in the Bidder free from all Encumbrances and interests of third parties of any kind, whether legal or otherwise and free from any restrictions on transfer of any kind.

### *6.5 Pending registration of transfers*

Immediately upon the provision of the Scheme Consideration to each Scheme Shareholder or the Sale Agent (as applicable) in the manner contemplated by clauses 4.1(a) and 4.4, and until the Target registers the Bidder as the holder of all Scheme Shares in the Target Register:

(a) the Bidder will be beneficially entitled to the Scheme Shares transferred to it under this Scheme;

(b) each Scheme Shareholder is deemed to have irrevocably appointed the Bidder as attorney and agent (and directed the Bidder in each capacity) to appoint any director, officer, secretary or agent nominated by the Bidder as its sole proxy and, where appropriate, its corporate representative, to attend the meetings of holders of Target Shares, exercise the votes attached to the Scheme Shares registered in their name and sign any resolution of holders of Target Shares (and each Scheme Shareholder acknowledges and agrees that as a result of each appointment they must not themselves attend or vote at any meetings or sign any resolution whether in person, electronically or by proxy or corporate representative);

(c) each Scheme Shareholder must take all other action in the capacity of a registered holder of Scheme Shares as the Bidder reasonably directs; and

(d) each Scheme Shareholder acknowledges and agrees that in exercising the powers referred to in this clause 6.5, the Bidder and any director, officer, secretary or agent nominated by the Bidder under clause 6.5 may act in the best interests of the Bidder as the intended registered holder of Scheme Shares.

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### 6.6 *Authority to Target*

(a) Each Scheme Shareholder, without the need for any further act, irrevocably appoints the Target and each of its directors and officers (jointly, severally or jointly and severally) as its agent and attorney for the purpose of:

(i) executing any document or doing any other act necessary, expedient or desirable to give effect to the terms of this Scheme and the transactions contemplated by it including (without limitation) the execution and provision of the Scheme Transfer;

(ii) executing and delivering any deed or document required by the Target or the Bidder, that causes each Scheme Shareholder to become a shareholder of Bidder and to be bound by the Bidder Constitution; and

(iii) enforcing the Deed Poll against the Bidder,

and the Target accepts each such appointment. The Target as attorney and agent of each Scheme Shareholder may sub-delegate its functions, authorities or powers under this clause 6.6 to all or any of its directors and officers (jointly, severally or jointly and severally).

(b) The Target undertakes in favour of each Scheme Shareholder that it will enforce the Deed Poll against the Bidder on behalf of and as agent and attorney for each Scheme Shareholder.

### 6.7 *Instructions and elections*

If not prohibited by law (and including where permitted or facilitated by relief granted by a Governmental Agency), all instructions, notifications or elections by a Scheme Shareholder to the Target that are binding or deemed binding between the Scheme Shareholder and the Target relating to the Target or the Scheme Shares, including instructions, notifications or elections relating to:

(a) whether dividends are to be paid by cheque or into a specific bank account;

(b) payments of dividends on Scheme Shares; and

(c) notices or other communications from the Target (including by email),

will be deemed from the Implementation Date (except to the extent determined otherwise by the Bidder in its sole discretion), by reason of this Scheme, to be made by the Scheme Shareholder to the Bidder and to be a binding instruction, notification or election to, and accepted by, the Bidder in respect of the Consideration Shares issued to that Scheme Shareholder until that instruction, notification or election is revoked or amended in writing addressed to the Bidder at the Bidder Registry.

### 6.8 *Amendments to the Scheme*

If the Court proposes to approve the Scheme subject to any alterations or conditions:

(a) the Target may consent on behalf of all persons concerned, by its counsel or solicitors, to those alterations or conditions to which the Bidder has provided its prior written consent; and

(b) each Scheme Shareholder agrees to any such alterations or conditions which the Target has consented to.

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# 7 General

### *7.1 Stamp duty*

The Bidder must:

(a) pay all stamp duty (if any) and any related fines and penalties payable in connection with the transfer of the Scheme Shares under this Scheme; and

(b) indemnify each Scheme Shareholder against any liability incurred by the Scheme Shareholder arising from the Bidder's failure to comply with clause 7.1.

### *7.2 Indemnities*

Unless this document provides otherwise:

(a) each indemnity in this document is a continuing obligation, separate and independent from the other obligations of the parties, and survives termination, completion or expiration of this document;

(b) it is not necessary for a person to incur expense or make any payment before enforcing a right of indemnity conferred by this document; and

(c) the making of a claim by a person under an indemnity contained in this document in respect of a particular event does not preclude that person from subsequently making further claims under that indemnity in respect of the same event.

### *7.3 Further assurance*

Each Scheme Shareholder and the Target will execute all documents and do all acts and things as may be necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

### *7.4 Consent*

Each of the Scheme Shareholders consents to the Target doing all acts and things as may be necessary or desirable to give full effect to the Scheme and the transactions contemplated by it.

### *7.5 Notices*

(a) If a notice, transfer, transmission application, direction or other communication referred to in this Scheme is sent by post to the Target, it will not be taken to be received in the ordinary course of post or on a date and time other than the date and time (if any) on which it is actually received at the registered office of the Target.

(b) The accidental omission to give notice of the Scheme Meeting or the non-receipt of such notice by a Target Shareholder will not, unless so ordered by the Court, invalidate the Scheme Meeting or the proceedings of the Scheme Meeting.

### *7.6 Governing law and jurisdiction*

This document is governed by the laws of Western Australia. Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia, and Commonwealth courts having jurisdiction in that place and waives any right to object to proceedings being brought in those courts on the basis that proceedings have been brought in an inconvenient forum.

### *7.7 No liability when acting in good faith*

Each Scheme Shareholder agrees that none of the Target, the Bidder nor any director, officer, secretary or employee of Target or the Bidder shall be liable for anything done or omitted to be done in the performance of this Scheme or the Deed Poll in good faith.

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# Annexure 2 – Deed Poll

*[See overleaf]*

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Blackstone Minerals Limited

# Deed Poll

JOHNSON | WINTER | SLATTERY

Level 49 Central Park, 152-158 St Georges Terrace
PERTH WA 6000
T +61 8 6216 7222 | F +61 8 6216 7200
www.jws.com.au

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**Annexure 1 – Scheme**


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# Deed Poll

## Date

## Parties

**1** **Blackstone Minerals Limited** (ACN 614 534 226) (**Bidder**)

Address: Level 5, 600 Murray Street, West Perth, Western Australia, 6005

Email: scott@blackstoneminerals.com.au

Contact: Mr Scott Williamson

## Recitals

**A** IDM International Limited (ACN 108 029 198) (**Target**) and the Bidder have entered into the Scheme Implementation Deed with respect to the Scheme and associated matters.

**B** The Target has agreed in the Scheme Implementation Deed to propose the Scheme, pursuant to which (amongst other things), subject to the satisfaction or waiver of certain conditions precedent, the Bidder will acquire all of the Scheme Shares from Scheme Shareholders for the Scheme Consideration.

**C** In accordance with the Scheme Implementation Deed, the Bidder enters into this document for the purpose of covenanting in favour of the Scheme Shareholders to perform the obligations attributed to it under the Scheme.

The Bidder covenants as follows.

## Operative part

## 1 Definitions and interpretation

### *1.1 Definitions*

The following definitions apply in this document, unless the context requires otherwise.

**Bidder Register** means the register of members of the Bidder.

**Insolvency Event** has the meaning given in the Scheme Implementation Deed.

**Scheme** means the proposed scheme of arrangement under Part 5.1 of the Corporations Act between the Target and Scheme Shareholders, substantially in the form of Annexure 1 to this document, subject to any alterations or conditions (whether proposed by the Target, Bidder or made or required by the Court) which are agreed in writing by the Target and the Bidder.

**Target** has the meaning given in Recital A.

Terms defined in the Scheme have the same meaning when used in this document unless the context requires otherwise.

### *1.2 Interpretation*

Clause 1.2 of the Scheme applies to this document.

## 2 Nature of deed poll

The Bidder acknowledges and agrees that:

(a) this document may be relied on and enforced by any Scheme Shareholder in accordance with its terms even though the Scheme Shareholders are not party to it; and

(b) under the Scheme, each Scheme Shareholder irrevocably appoints the Target and each of its directors and officers (jointly and severally) as its agent and attorney to enforce this document against the Bidder on behalf of that Scheme Shareholder.

## 3 Conditions

### *3.1 Conditions*

This document and the obligations of the Bidder under clause 4 are subject to the Scheme becoming Effective.

### *3.2 Termination*

Unless the Target and the Bidder agree otherwise, the obligations of the Bidder under this document will automatically terminate and the terms of this document will be of no further force or effect if:

(a) the Scheme Implementation Deed is terminated; or

(b) the Scheme does not become Effective by the End Date.

### *3.3 Consequences of termination*

If this document is terminated under clause 3.2, then in addition and without prejudice to any other available rights, powers or remedies:

(a) the Bidder is released from its obligations to further perform under this document except those obligations under clause 9.1 and any other obligations which by their nature survive termination; and

(b) each Scheme Shareholder retains the rights they have against the Bidder in respect of any breach of this document by the Bidder which occurs before this document is terminated.

## 4 Payment of Scheme Consideration and performance of Scheme steps

### *4.1 Compliance with Scheme*

Subject to clause 3, the Bidder undertakes in favour of each Scheme Shareholder to:

(a) provide, or procure the provision of, the Scheme Consideration to the Scheme Shareholders in accordance with clause 5 of the Scheme; and

(b) undertake all other actions, and give each acknowledgement, representation and warranty (if any), attributed to it under the Scheme including issuing, on or before the Implementation Date, the Consideration Shares required to be issued under the Scheme and procuring that the name and address of each such Scheme Shareholder is entered in the Bidder Register in respect of those Consideration Shares,

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subject to and in accordance with the provisions of the Scheme.

***4.2 Shares to rank equally***

Without limiting any provision of the Scheme or this document, the Bidder covenants in favour of each Scheme Shareholder that each Consideration Share issued to each Scheme Shareholder in accordance with the Scheme will:

(a) rank equally in all respects with all existing Bidder Shares;

(b) have the rights set out in the Bidder Constitution; and

(c) be fully paid and free from any Encumbrances, third party interests (whether legal or equitable) or restrictions on transfer.

## 5 Representations and warranties

The Bidder represents and warrants in favour of each Scheme Shareholder, in respect of itself, that:

(a) (**status**) it is a corporation validly existing and limited by shares under the Corporations Act or other applicable legislation;

(b) (**power**) it has full legal capacity and power to enter into and perform its obligations under this document;

(c) (**authorisations**) its execution, delivery and performance of this document has been properly authorised by all necessary corporate action and it has full corporate power to execute, deliver and perform this document;

(d) (**validity of this document**) this document constitutes legal, valid and binding obligations on it (subject to laws generally affecting creditors' rights and the principles of equity);

(e) (**Transaction permitted**) the execution and performance by it of this document and each transaction contemplated by this document does not and will not violate in any respect:

(i) any writ, order or injunction, judgment, law, rule or regulation to which it is party, or by which it is bound; or

(ii) the constitution or equivalent constituent documents of it or any of its Related Bodies Corporate; and

(f) (**Insolvency Event**) it is not affected by any Insolvency Event.

## 6 Continuing obligations

This document is irrevocable and, subject to clause 3, remains in full force and effect until the earlier of:

(a) the Bidder having fully performed its obligations under this document; or

(b) the termination of this document under clause 3.2.

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## 7 Notices

### *7.1 How to give notices*

Any notice or other communication by a person contemplated by this document (including any agreement, request, demand, direction, consent, waiver or approval) must be:

(a) in writing in English, legible and signed by the person or their agent; and

(b) sent by express or registered post (with delivery confirmation) or email, or delivered, to the recipient, attention the recipient's contact, in each case using the relevant details set out in the Parties section of this document or any new details later notified by the recipient.

If a person sends a communication contemplated by this document other than by email, they must use all reasonable endeavours to send a copy of the communication promptly by email.

### *7.2 Time of receipt*

A communication contemplated by this document is taken to be received by a recipient:

(a) if hand-delivered, at the time of delivery to that recipient to their nominated address;

(b) if sent by express or registered post (with delivery confirmation), on the date that communication is received by the recipient at the recipient's location; and

(c) if sent by email, the earlier of:

(i) when the sender receives a read receipt from the recipient's email address; and

(ii) the time it is otherwise established that the email (including any attachment) came to the attention of the recipient.

If due to this clause 7.2 a communication would be taken to be received on a day that is not, or after 5pm on, a business day in the place of receipt, the communication is taken to have been received at 9am on the first business day in the place of receipt after that day. The place of receipt of an email is the address of the recipient contemplated by clause 7.1(b).

## 8 Governing law and jurisdiction

This document is governed by the laws of Western Australia. The Bidder irrevocably submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in Western Australia, and Commonwealth courts having jurisdiction in that place and waives any right to object to proceedings being brought in those courts on the basis that proceedings have been brought in an inconvenient forum.

## 9 General

### *9.1 Duties*

(a) The Bidder must pay all stamp duties (if any) and any fines and penalties with respect to stamp duty in connection with of this document and the Scheme or the steps to be taken under each of them; and

(b) The Bidder indemnifies each Scheme Shareholder against any liability arising from any failure to comply with clause 9.1(a).

### 9.2 *Variation*

A provision of this document may be varied by the Bidder if, and only if:

(a) before the First Court Date, the variation is agreed to by the Target in writing; or

(b) on or after the First Court Date, the variation is agreed to by the Target in writing and the Court indicates that the variation would not of itself preclude approval of the Scheme,

and in either case, the Bidder enters into a further deed poll in favour of the Scheme Shareholders giving effect to such amendment.

### 9.3 *Further acts*

The Bidder must, at its own expense, do all things (including the execution and delivery of documents) required by law or as may be necessary or desirable to give full effect to the provisions of this document and the transactions contemplated by it.

### 9.4 *No assignment*

(a) The rights of a Scheme Shareholder and the Bidder under this document are personal. They cannot be assigned, charged or otherwise dealt with, and no person shall attempt or purport to do so, without the prior written consent of the Bidder.

(b) Any purported dealing in contravention of clause 9.4(a) is invalid.

### 9.5 *Waiver*

A person waives a right under this document only by written notice that it waives that right. A waiver is limited to the specific instance to which it relates and to the specific purpose for which it is given. No other conduct of any person (including a failure to exercise, or delay in exercising, a right) operates as a waiver of a right or otherwise prevents the exercise of a right.

### 9.6 *Remedies cumulative*

The rights, powers and remedies of the Bidder and the Scheme Shareholders under this document are in addition to and do not exclude the rights, powers or remedies provided by law or equity or by any agreement.

### 9.7 *Moratorium legislation*

Any law which varies prevents or prejudicially affects the exercise by a party of any right, power or remedy conferred on it under this document is excluded to the extent permitted by law.

### 9.8 *Time*

(a) Time is of the essence of this document.

(b) If the parties agree to vary a time requirement, the time requirement so varied is of the essence of this document.

(c) An agreement to vary a time requirement must be in writing.

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## Execution

**EXECUTED** as a deed poll

**Executed** by **Blackstone Minerals Limited** in accordance with section 127 of the *Corporations Act 2001* (Cth) by:

| | |
|---|---|
| Director signature | Director/Secretary signature |
| Director full name<br>(BLOCK LETTERS) | Director/Secretary full name<br>(BLOCK LETTERS) |

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## Annexure 1 – Scheme

*[See overleaf.]*

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