FORRESTANIA RESOURCES

Forrestania Resources Ltd
Suite 1, 295 Rokeby Road
Subiaco WA 6008

ASX: FRS

Phone +61 8 6555 2950
info@forrestaniaresources.com.au
ACN 647 899 698

forrestaniaresources.com.au

For personal use only

14 October 2025

ASX RELEASE

Execution of Bid Implementation Deed to Acquire Kula Gold Limited

Highlights:

- **Forrestania Resources Limited (ASX: FRS) has entered into a Bid Implementation Agreement with Kula Gold Limited (ASX: KGD).**
- **FRS will offer to acquire all issued shares it does not own in KGD via an off-market takeover offer.**
- **Consideration of 1 FRS shares for every 5.6 KGD share held (scrip only, no cash component), representing an approximate 41% premium for Kula Gold shareholders based on the 10-day VWAP of KGD shares to 10 October 2025.**
- **The acquisition firmly positions Forrestania as an emerging Western Australian gold company with a strengthened portfolio of growth assets across the Forrestania, Southern Cross and Eastern Goldfields regions, comprising complementary projects strategically located near one another and established processing infrastructure.**
- **The Board of Kula Gold Limited unanimously recommends that shareholders accept the offer in the absence of a superior proposal.**
- **The offer is subject to customary conditions, including a minimum acceptance condition, no prescribed occurrences, no material adverse change and customary regulatory and conduct of business conditions.**

Overview of the Transaction

Forrestania Resources Limited (ASX: FRS) ("FRS" or "the Company") is pleased to announce that it has today entered into a Bid Implementation Deed (the "**Agreement**") with Kula Gold Limited (ASX: KGD) ("**KGD**" or "**Kula**") under which FRS will make an off-market takeover offer to acquire all of the ordinary shares in Kula that it does not already own ("**Offer**").

Under the terms of the Offer, the Company will offer 1 fully paid ordinary shares in FRS for every 5.6 Kula Gold Limited shares held ("**Offer Consideration**"). The offer will be scrip only, with no cash component.

As at the date of this announcement, FRS holds 144,616,665 KGD Shares, representing approximately 12.56% of KGD's shares on issue.

For personal use only

The transaction values Kula Gold Limited at approximately $58.894 million, based on FRS' 10-day volume-weighted average price ("**VWAP**") of $0.2864 to 10 October 2025. This represents a 41% premium to the 10-day VWAP of KGD shares ($0.0355) at the same date.

Forrestania Resources' Chairman David Geraghty commented:
"This transaction marks a natural progression in bringing together two complementary exploration portfolios within one of Western Australia's most prolific gold belts. It expands Forrestania's regional presence and strengthens our position as a focused gold growth company with genuine scale and a clear pathway to growth. With gold prices remaining strong and investor interest building, this transaction underscores Forrestania's capacity to execute strategic, value-accretive opportunities with speed, discipline and purpose."

Kula Gold's Chairman Mark Stowell commented:
"We believe this to be a highly value-accretive transaction for Kula Gold shareholders. The consolidation of Kula and Forrestania's gold assets in the Southern Cross district advances the ambitions of both companies to become gold producers and will provide important economies of scale. In the absence of a superior offer, our directors are confident that this regional consolidation strategy will provide an optimal outcome for Kula Gold."

Strategic Rationale and Benefits for Shareholders

The combination of Forrestania Resources Limited and Kula Gold Limited is expected to:

- **Transformational Growth:** The acquisition of Kula Gold Ltd represents a transformational step for Forrestania Resources, creating a larger, gold-focused company with a dominant landholding across one of Western Australia's most prospective greenstone belts.
- **Complementary Assets:** Kula's Mount Palmer and Southern Cross located projects are highly complementary to Forrestania's existing portfolio, including the nearby Breakaway Dam, Westonia, and Southern Cross gold projects.
- **Regional Consolidation:** The acquisition unites neighbouring tenements, enhancing operational efficiency and strengthening regional focus, while creating potential for long-term growth and value generation.
- **Mount Palmer Historic Mine:** Mount Palmer, located near Southern Cross in WA, hosts a historic high-grade gold mine and remains a cornerstone asset in the Company's regional gold strategy.
- **Enhanced Shareholder Value:** On completion of the transaction, shareholders will gain exposure to the upside of a larger, more diversified WA exploration company with strong momentum and a proven ability to execute.
- **Expanded Technical Team:** Combines the technical expertise of FRS and Kula to create a stronger, more capable team with deep regional knowledge.

For personal use only

FRS and KGD consider that the Agreement provides the following key benefits for KGD Shareholders:

- The effective offer price of $0.05 per KGD share represents an attractive premium to Kula's recent trading process, exceeding its 12-month, 6-month and 3-month VWAP;
- Offers KGD shareholders the opportunity to become shareholders in FRS, which has undergone a significant transformation in 2025, including a refreshed board and strong share market performance across 2025;
- Subject to meeting certain conditions, CGT roll-over relief may be available to Kula shareholders.
- No superior proposal has emerged as at the date of this ASX Announcement.

Key Terms and Conditions

The Agreement is subject to certain conditions such as:

- **50% minimum acceptance**- FRS obtains a relevant interest in at least 50% of KGD's shares;
- **No prescribed occurrences**- There are no "Prescribed Occurrences between the Announcement Date and the date 3 business days after the end of the Offer Period;
- **No material adverse change**- There is no material adverse change in KGD;
- **No regulatory action**- No governmental agency, court, or regulatory authority has taken (or is threatening to take) any action, investigation, or proceeding that would restrain, prohibit, or otherwise materially impede the making or completion of the Offer, or require divestiture of any KGD shares or material assets; and
- **No exercise of rights under material agreements**- The Offer does not trigger any change-of-control or similar rights under KGD's material agreements.

Board Recommendations

KGD's Board has unanimously recommended that shareholders accept the Offer, in absence of a superior proposal, and that each director intends to accept the Offer in respect of the shares they hold or control.

Next Steps

FRS expects to lodge it Bidder's Statement with ASIC and dispatch it to KGD's shareholder on 27 October 2025.

Further updates will be provided to the market in due course.

A copy of the Bid Implementation Agreement is annexed to this Announcement.

For personal use only

Indicative Timetable

Event	Date*
Release of announcement	13 October 2025
Lodgement of Bidder's Statement with ASIC, service on KGD and release to ASX	27 October 2025
Register Date	28 October 2025
Dispatch of Bidder's Statement to KGD Shareholders	29 October 2025
Lodgement of Target's Statement with ASIC, service on FRS and release to ASX	29 October 2025
Dispatch of Target's Statement to KGD Shareholders	29 October 2025
Offer Period ends	1 December 2025

*All dates and times are indicative only and subject to change

Advisors

Bell Potter Securities Ltd is acting as financial adviser and Steinepreis Paganin are acting as legal advisor to FRS.

This announcement has been authorised for release by Forrestania Resources' Board.

For further information please contact:

David Geraghty
Chairman
info@forrestaniaresources.com.au

Lucas Robinson
Investor Relations
Phone +61(0) 408 228 889
lucas@corporatestorytime.com

Paul Berson
Investor Relations
Phone +61(0) 421 647 445
paul@corporatestorytime.com

For personal use only

About Forrestania Resources Limited

Forrestania Resources Limited (ASX: FRS) is a rapidly growing gold exploration and development company focused on building a portfolio of high-quality projects across Western Australia's premier mining districts.

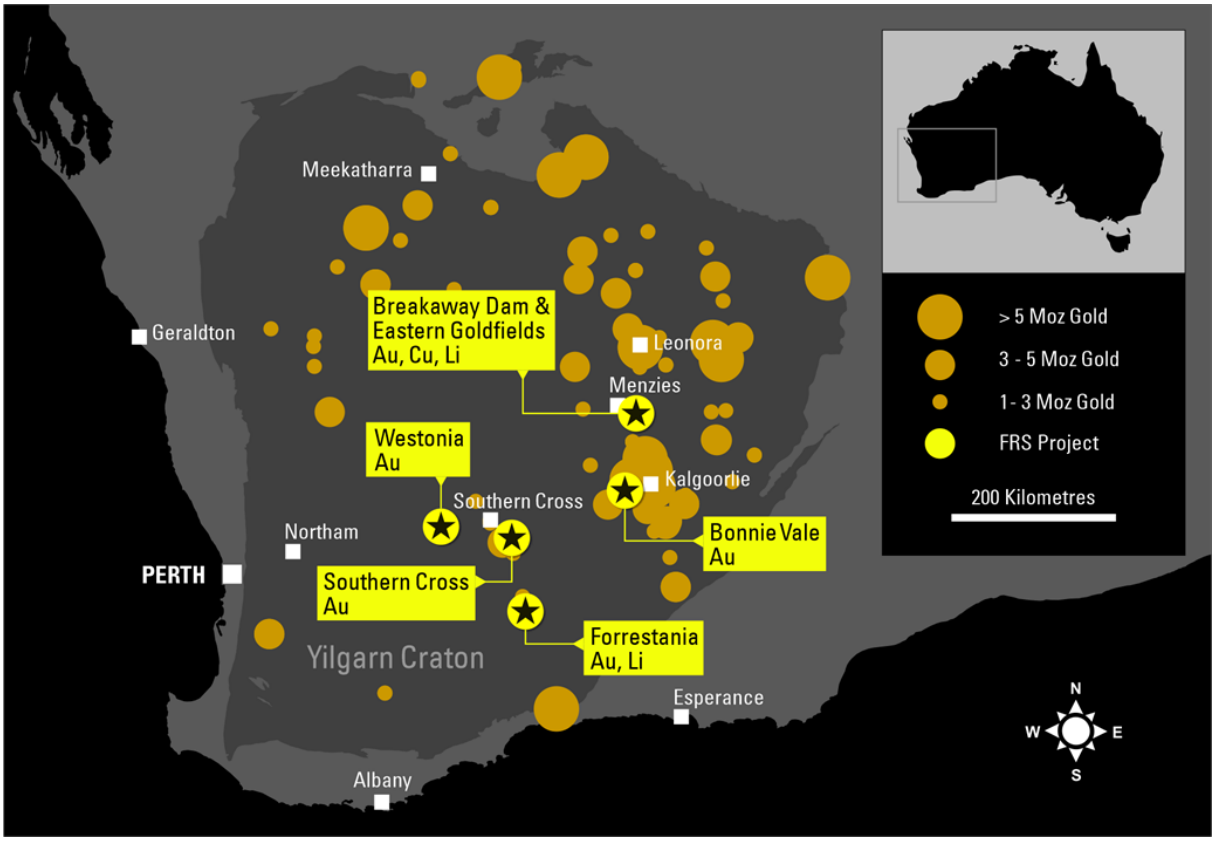
Led by a refreshed and experienced board, Forrestania is strategically expanding its footprint across the Southern Cross, Eastern Goldfields and Forrestania regions through disciplined exploration, selective acquisitions and a commitment to unlocking the broader potential of these highly prospective belts.

In the Southern Cross district, the Company is advancing a strategy to define significant gold resources capable of supporting long-term development opportunities.

The Forrestania Project, from which the Company takes its name, lies within a world-class mineral province adjacent to the historic Bounty gold mine (~1Moz historic production) and in proximity to major mining operations, underscoring the region's exceptional prospectivity.

Further north, Forrestania's projects near Coolgardie and Menzies provide additional exposure to gold and base metals within proven mineralised corridors of the Eastern Goldfields.

Forrestania Resources is dedicated to creating shareholder value through systematic exploration, strong technical execution and a focused approach to growing its gold asset base across Western Australia.



ANNEXURE – BID IMPLEMENTATION AGREEMENT

For personal use only

FORRESTANIA RESOURCES LIMITED
ACN 647 899 698
(FRS)

and

KULA GOLD LTD
ACN 126 741 259
(KGD)

BID IMPLEMENTATION DEED

STEINEPREIS PAGANIN

TABLE OF CONTENTS

1. DEFINITIONS AND INTERPRETATION 2
2. CO-OPERATION 10
3. THE OFFER 12
4. DOCUMENTATION AND RECOMMENDATION OF KGD DIRECTORS 15
5. CONDUCT OF BUSINESS 16
6. DISCUSSIONS WITH OTHERS 18
7. WARRANTIES 23
8. TERMINATION 26
9. ANNOUNCEMENT OF TAKEOVER BID 27
10. CONFIDENTIAL INFORMATION OBLIGATIONS 28
11. NOTICES AND OTHER COMMUNICATIONS 29
12. GOODS AND SERVICES TAX (GST) 30
13. MISCELLANEOUS 31
14. GOVERNING LAW AND JURISDICTION 33

SCHEDULE 1 – TIMETABLE 34
SCHEDULE 2 – BID CONDITIONS 35
SCHEDULE 3 – PRESCRIBED OCCURRENCES 39
SCHEDULE 4 – FRS PROPOSED ISSUES OF SECURITIES 40

For personal use only

THIS DEED is dated 13 October 2025

BETWEEN

FORRESTANIA RESOURCES LIMITED (ACN 647 899 698) of Suite 1, 295 Rokeby Road, Subiaco, WA 6008 (**FRS**);

AND

KULA GOLD LTD (ACN 126 741 259) of Suite 2, 20 Howard Street, Perth, WA 6000(**KGD**).

RECITALS

A. FRS is proposing to acquire all of the KGD Shares by way of the Takeover Bid.

B. FRS and KGD have agreed to certain matters in relation to the Takeover Bid as set out in this deed.

C. The KGD Board proposes to recommend that KGD Shareholders accept the Offer in respect of their KGD Shares subject only to the qualifications that no Superior Proposal emerges.

D. FRS and KGD have agreed to implement the Takeover Bid on the terms and conditions set out in this deed.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following words have these meanings in this deed unless the contrary intention appears:

Advisers means, in relation to an entity, its legal, financial and other expert advisers.

Amount of the Consideration means:

(a) the amount of any payment in connection with a supply; and

(a) in relation to non-monetary consideration in connection with a supply, the GST exclusive market value of that consideration as reasonably determined by the supplier.

Announcement Date means 14 October 2025

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning in section 12 of the Corporations Act as if subsection (1) of that section is included as a reference to this deed.

ASX means ASX Limited or the Australian Securities Exchange, as appropriate.

For personal use only

Bidder's Statement means the bidder's statement to be issued by FRS in respect of the Takeover Bid in accordance with Chapter 6 of the Corporations Act.

Business Day means a business day as defined in the Listing Rules.

Competing Proposal means any expression of interest, proposal, offer or transaction notified to the KGD Board which, if completed substantially in accordance with its terms, would mean a person (other than FRS or its Related Bodies Corporate) would:

(a) directly or indirectly, acquire an interest or Relevant Interest in or become the holder of:

(i) 20% or more of all KGD Shares; or

(ii) all or a substantial part of the business conducted by the KGD Group.

(b) acquire control of KGD, within the meaning of section 50AA of the Corporations Act; or

(c) otherwise directly or indirectly acquire or merge with KGD or acquire an economic interest in the whole or a substantial part of KGD or their businesses (including by takeover offer, scheme of arrangement, capital reduction, sale of assets, strategic alliance, joint venture, partnership or reverse takeover bid).

Conditions means the conditions to the Offer which are set out in Schedule 2.

Confidential Information means FRS Confidential Information or KGD Confidential Information, as the case requires.

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

Encumbrance means any mortgage, lien, charge, pledge, assignment by way of security, security interest, title retention, preferential right or trust arrangement, claim, covenant, profit a prendre, easement or any other security arrangement or any other arrangement having the same effect.

End Date means the earliest of:

(a) date of termination of this deed in accordance with its terms; and

(d) the end of the Offer Period,

or such later date as the parties agree.

Excluded Information means FRS Confidential Information or KGD Confidential Information which:

(a) is in or becomes part of the public domain other than through a breach of this deed or an obligation of confidence owed to the party providing the Confidential Information;

(b) the recipient of the Confidential Information can prove by contemporaneous written documentation was already known to it at the time of disclosure by the party providing the Confidential Information

For personal use only

(unless such knowledge arose from disclosure of information in breach of an obligation of confidentiality); or

(c) the recipient of the Confidential Information acquires from a source other than the party providing the Confidential Information or any Related Body Corporate or Representative of the party providing the Confidential Information where such source is entitled to disclose it.

Exclusivity Period means the period from and including the date of this deed until the earlier of:

(a) the date of termination of this deed;

(b) the end of the Offer Period; and

(c) the date that is 3 months after the date of this deed.

Foreign KGD Securityholder means a KGD Shareholder:

(a) who is a citizen or resident of a jurisdiction other than residents of Australia and its external territories or New Zealand; or

(e) whose address shown in the Register is a place outside Australia and its external territories or New Zealand, unless FRS determines that:

(i) it is lawful and not unduly onerous or unduly impracticable to issue that KGD Shareholder with FRS Shares on completion of the Offer; and

(ii) it is lawful for that KGD Shareholder to participate in the Offer by the law of the relevant place outside Australia and its external territories or New Zealand.

FRS Board means the board of directors of FRS.

FRS Confidential Information means all confidential, non-public or proprietary information, regardless of how the information is stored or delivered, exchanged between the parties before, on, or after the date of this deed, relating to the business, technology or other affairs of FRS, the terms of this deed, its existence and the fact the parties are in negotiations in relation to the agreement.

FRS Group means FRS and its Subsidiaries.

FRS Material Adverse Change means any act, omission, event, change, matter or circumstance occurring, or being discovered or becoming public (either individually or aggregated with other acts, omissions, events, changes, matters or circumstances) which:

(a) has, will or is reasonably likely to have, a material adverse effect on the assets, liabilities, financial position, performance profitability or prospects of the FRS Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or

(b) is an event, matter or thing, described in sub-paragraph (a), that has occurred before the date of this deed but was not apparent from public filings by FRS before then, becomes public,

For personal use only

where the financial impact of such event, change, condition, matter or thing on the FRS Group exceeds $10,000,000, but does not include:

(c) anything which has arisen solely as a result of any actions taken by any member of the FRS Group in the ordinary course of its business;

(d) those events or circumstances required to be done or procured by FRS pursuant to this deed;

(e) those events or circumstances relating to changes in business conditions affecting security markets generally or a change in the market price of gold which impacts on FRS and its competitors in a similar manner; or

(f) an event, circumstance, matter or information that is known to KGD or its Representatives on or prior to the date of this deed or otherwise disclosed in public filings by FRS with ASIC or provided to ASX on or prior to the date of this deed.

FRS Share means a fully paid ordinary share in FRS.

GST means a goods and services or similar tax imposed in Australia.

GST Act means the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

Input Tax Credit has the meaning it has in the GST Act.

A person is **Insolvent** if:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);

(b) it or its Subsidiaries is in liquidation, in provisional liquidation, under administration or wound up or has had a controller, receiver or receiver and manager appointed to any part of its property;

(c) it or its Subsidiaries enters into a deed of company arrangement;

(d) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the other parties to this deed);

(e) an application or order has been made (and in the case of an application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is preparatory to or could result in any of (a), (b) or (c) above;

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

(g) it is the subject of an event described in section 459C(2)(b) or section 585 of the Corporations Act (or it makes a statement from which the other party to this deed reasonably deduces it is so subject);

(h) it is otherwise unable to pay its debts when they fall due; or

For personal use only

(i) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Insurance Policy means the directors and officers insurance policy in favour of KGD Directors which is in place at the date of this deed in accordance with a deed of indemnity, insurance and access between KGD and any KGD Director.

Insurance Run-Off Period means that period commencing on the Retirement Date and expiring on the date 7 years after the Retirement Date.

Joint Announcement Date means the date on which the joint announcement referred to in clause 9.1 is released to ASX.

KGD Board means the board of directors of KGD.

KGD Confidential Information means all confidential, non-public or proprietary information regardless of how the information is stored or delivered, exchanged between the parties before, on or after the date of this deed relating to the business, technology or other affairs of KGD or its Subsidiaries, the terms of this deed, its existence and the fact the parties are in negotiations in relation to the agreement.

KGD Director means a director of KGD.

KGD Group means KGD and its Subsidiaries.

KGD Material Adverse Change means any act, omission, event, change, matter or circumstance occurring, or being discovered or becoming public (either individually or aggregated with other acts, omissions, events, changes, matters or circumstances) which:

(a) has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the KGD Group taken as a whole (whether individually or when aggregated with one or more other events, matters or things); or

(b) any event, matter or thing, as described in sub-paragraph (a), which occurred before the date of this deed but was not apparent from public filings of KGD before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the KGD Group exceeds $3,000,000**,** but does not include:

(c) anything which has arisen solely as a result of actions taken by any member of the KGD Group in the ordinary course of its business;

(d) those events or circumstances required to be done or procured by KGD pursuant to this deed;

(e) those events or circumstances relating to changes in security markets generally or a change in the market price of gold which impacts on KGD and its competitors in a similar manner; or

(f) an event, circumstance, matter or information that is known to FRS or its Representatives on or prior to the date of this deed or otherwise disclosed in public filings by KGD with ASIC or provided to ASX on or prior to the date of this deed.

For personal use only

KGD Option has the meaning given in clause 3.8(a).

KGD Share means a fully paid ordinary share in KGD.

KGD Shareholder means a holder of one or more KGD Shares, but excluding FRS and its Related Bodies Corporate.

Listing Rules means the Listing Rules of ASX.

Lodgement Date means the date FRS lodges the Bidder's Statement with ASIC.

Material Contract means a contract or commitment requiring total payments by, or providing revenue to, a party in excess of $500,000, in the case of the KGD Group and $500,000 in the case of FRS.

Offer Date means:

(a) the date which is 5 Business Days after the Lodgement Date, unless the parties otherwise agree on an earlier despatch date for the Offer following lodgement of the Bidder's Statement with ASIC, in which case the Offer Date will be the earlier despatch date agreed by the parties; or

(b) such other date agreed on in writing by the parties.

Offer Period means the period during which the Offer is open for acceptance.

Offer means the offer to KGD Shareholders by way of the Takeover Bid in respect of the KGD Shares on issue as at the date of the Offer and those KGD Shares that are issued during the Offer Period as a result of the exercise or conversion of convertible securities (subject always to any necessary ASIC modifications being obtained and to the extent they are permitted to vest in accordance with this deed) that are on issue as at the date of this deed.

Officers means, in relation to an entity, its directors, officers, and employees.

Prescribed Occurrence means any of the events listed in Schedule 4.

Register means the shareholders register of KGD and **Registry** has a corresponding meaning.

Register Date means the date set by FRS pursuant to section 633(2) of the Corporations Act.

Regulatory Authority includes:

(a) ASX and ASIC;

(b) a government or governmental, semi-governmental or judicial entity or authority including the Takeovers Panel;

(c) a minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government; and

(d) any regulatory organisation established under statute.

Related Bodies Corporate has the meaning given to it in the Corporations Act.

For personal use only

Related Person in respect of a party or its Related Bodies Corporate, each director, officer, employee, Adviser (and each director, officer, employee or contractor of that Adviser), agent or representative of that party or Related Body Corporate.

Relevant Interest has the meaning given to it in the Corporations Act.

Representatives of a party includes:

(a) a Related Bodies Corporate of the party; and

(b) each of the Officers and Advisers of the party or any of its Related Bodies Corporate.

Restriction Period means the period commencing on the date of this deed and ending on the End Date.

Retirement Date means the date on which the last of the KGD Directors at the date of this deed ceases to be a KGD Director (provided that the Offer has become unconditional and FRS has a Relevant Interest in at least 50.1% of KGD Shares (on a fully diluted basis)).

Sale Nominee has the meaning given in clause 3.4.

Subsidiaries has the meaning given in the Corporations Act.

Superior Proposal means a Competing Proposal which is, in the determination of the KGD Board acting reasonably and in good faith and in order to satisfy what the KGD Board consider to be their fiduciary and statutory duties:

(a) reasonably capable of being completed taking into account all aspects of the Competing Proposal; and

(b) more favourable to KGD Shareholders than the Takeover Bid, taking into account all terms and conditions of the Competing Proposal.

Takeover Bid means the off-market takeover bid by FRS for all KGD Shares to be implemented in accordance with Chapter 6 of the Corporations Act.

Target's Statement means the target's statement to be issued by KGD in respect of the Takeover Bid under Section 638 of the Corporations Act.

Tax means any tax, levy, impost, charge or duty that is assessed, levied, imposed or collected by any Regulatory Authority together with any related interest, penalties, fines and expenses in connection with them.

Third Party means a person other than KGD, FRS or their respective Related Bodies Corporate or Associates.

Timetable means the timetable set out in Schedule 1.

1.2 Interpretation

In this deed:

(a) headings are for convenience only and do not affect its interpretation;

For personal use only

(b) no provision of this deed will be construed adversely to a party because that party was responsible for the preparation of this deed or that provision;

(c) specifying anything after the words "include" or "for example" or similar expressions does not limit what else is included;

and unless the context otherwise requires:

(d) the expression **person** includes an individual, the estate of an individual, a corporation, an authority, an association or joint venture (whether incorporated or unincorporated), a partnership and a trust;

(e) a reference to any party includes that party's executors, administrators, successors and permitted assigns, including any person taking by way of novation;

(f) a reference to any document (including this deed) is to that document as varied, novated, ratified or replaced from time to time;

(g) a reference to any statute or to any statutory provision includes any statutory modification or re-enactment of it or any statutory provision substituted for it, and all ordinances, by-laws, regulations, rules and statutory instruments (however described) issued under it;

(h) words importing the singular include the plural (and vice versa) and words indicating a gender include every other gender;

(i) reference to parties, clauses, schedules, exhibits or annexures are references to parties, clauses, schedules, exhibits and annexures to or of this deed and a reference to this deed includes any schedule, exhibit or annexure to this deed;

(j) where a word or phrase is given a defined meaning, any other part of speech or grammatical form of that word or phrase has a corresponding meaning;

(k) a reference to time is to Western Standard Time as observed in Perth, Western Australia;

(l) if a period of time is specified and dates from a given day or the day of an event, it is to be calculated exclusive of that day;

(m) a reference to a day is to be interpreted as the period of time commencing at midnight and ending 24 hours later;

(n) where an action is required to be undertaken on a day that is not a Business Day it shall be undertaken on the next Business Day;

(o) if an act under this deed to be done by a party on or by a given day is done after 5.00 pm on that day, it is taken to be done on the next day;

(p) a reference to a payment is to a payment by bank cheque or such other form of cleared funds the recipient otherwise allows in the relevant lawful currency specified;

(q) a reference to **$** or **dollar** is to the lawful currency of the Commonwealth of Australia; and

For personal use only

(r) a reference to a party using or an obligation on a party to use reasonable endeavours or its best endeavours does not oblige that party to agree to commercially onerous or unreasonable conditions.

2. CO-OPERATION

2.1 General obligations

KGD and FRS must each:

(a) use all reasonable endeavours and commit necessary resources (including management and the resources of Advisers); and

(b) procure that its Representatives work in good faith and in a timely and co-operative fashion with the other party and its Representatives (including by attending meetings and by providing such records and information as the other party reasonably requires),

to implement the Takeover Bid.

2.2 No independent expert required

(a) The parties agree that, as at the date of this deed, an independent expert's report for the Target's Statement is not required by section 640 of the Corporations Act in respect of the Offer. The parties acknowledge and agree that as that the date of this deed, KGD does not intend to commission the preparation of an independent expert's report for the Target's Statement.

(b) KGD may commission the preparation of an independent expert's report for the Target's Statement if there is a material change in circumstances and, in the opinion of an external lawyer, an independent expert's report is required by law.

(c) The KGD Board will consult with FRS and take into account the views of FRS and its advisers before deciding to commission the preparation of an independent expert's report.

(d) For the avoidance of doubt, nothing in this clause 2.2 requires the directors of KGD to take any action, or not take any action (as the case may be) which would result in a breach of fiduciary duty.

2.3 Access to people and information

(a) Between the date of this deed and the earlier of the end of the Offer Period and the date this deed is terminated, each party must, to the extent reasonably required to implement the Takeover Bid:

(i) as soon as reasonably practicable provide the other party and its Representatives with any documents, records, and other information (subject to any existing confidentiality obligations owed to third parties or applicable privacy laws) reasonably requested by them; and

(ii) provide the other party and its Officers and Advisers with reasonable access within normal business hours to the other party's Officers and Advisers (provided that such access does

For personal use only

not impose an undue burden) which the party reasonably requires for the purposes of:

(A) further understanding the other party's financial position (including its working capital position), trading performance and management control systems;

(B) implementing the Takeover Bid;

(C) preparing for carrying on the business of KGD and FRS following implementation of the Takeover Bid; and

(D) any other purpose which is agreed in writing between the parties.

(b) The obligations in clause 2.3(a), do not apply to the extent that:

(i) in respect of KGD, the access or information is connected to the KGD Board's deliberations in relation to the transactions contemplated by this deed, or information connected to a potential Competing Proposal; and

(ii) in respect of FRS, the access or information is connected to the FRS Board's deliberations in relation to the transactions contemplated by this deed.

(c) Each party must:

(i) keep all information obtained by it under this clause 2.3 confidential (except to the extent that disclosure of that information is required to be made by law including in the Bidder's Statement or Target's Statement);

(ii) provide the other party with reasonable notice of any request for information or access; and

(iii) comply with the reasonable requirements of the other party in relation to any access granted.

(d) Nothing in this clause 2.3:

(i) gives FRS any rights as to the decision making of any member of the KGD Group or its business; or

(ii) will require KGD to provide or procure the provision of information if to do so would, or would be reasonably likely to, result in a waiver of legal professional privilege.

(e) KGD may provide to FRS its records at a place other than KGD's business premises.

2.4 Implementation obligations of KGD

KGD must:

(a) provide all necessary information about the Register to FRS which FRS reasonably requires;

For personal use only

(b) provide all necessary directions to the Registry promptly to provide any information that FRS reasonably requests in relation to the Register, including any sub-register, and, where requested by FRS, KGD must procure such information is provided to FRS in such electronic form as is reasonably requested by FRS; and

(c) undertake regular beneficial shareholder analysis and promptly exercise its powers under section 672A of the Corporations Act if requested to do so by FRS, acting reasonably, subject to FRS meeting 100% of the costs of such services and preparing the requests to the KGD Shareholders,

in each case, in order to assist FRS to solicit acceptances under the Takeover Bid.

2.5 Appointment of directors – KGD Board

(a) Subject to clause 2.5(b) as soon as practicable after FRS has a Relevant Interest in more than 50% of the KGD Shares and the Offer becomes unconditional or is declared by FRS to be free of Conditions, KGD must take all actions necessary to ensure the resignation and appointment of directors of KGD (subject to those persons having provided a consent to act as directors of KGD) such that a majority of the KGD Board are directors nominated by FRS in writing.

(b) Clause 2.5(a), shall at all times be subject to:

(i) a minimum of two of the existing KGD Board remaining as directors of KGD;

(ii) a proper board being constituted at all times; and

(iii) FRS procuring that its appointees to the KGD Board do not participate in decisions of KGD in relation to the Takeover Bid until after the End Date and a quorum remains for that purpose.

3. THE OFFER

3.1 Offer by FRS

(a) FRS must, by no later than the Offer Date, and in any event as soon as reasonably practicable after the date of this deed, make the Offer to all KGD Shareholders in respect of all of their KGD Shares on the terms of this deed or terms no less favourable to KGD than the terms of this deed and otherwise in accordance with all applicable provisions of the Corporations Act.

(b) Without limiting this clause 3.1(a), publicly announce a proposal to make offers under the Takeover Bid, in accordance with clause 9.1, immediately after both parties have executed this deed.

3.2 Consideration

(a) The consideration offered by FRS under the Takeover Bid will be for every KGD Shareholder, 1 FRS Share for every 5.6 KGD Shares held as at the Register Date.

(b) The FRS Shares to be issued to KGD Shareholders who accept the Offer made under the Takeover Bid are to be issued on or before the earlier of:

For personal use only

(i) 7 days after the Offer becomes or is declared unconditional; and

(ii) 7 days after the end of the Offer Period.

3.3 Fractional entitlements

If the number of KGD Shares held by a KGD Shareholder means that their aggregate entitlement to FRS Shares is not a whole number, then any fractional entitlement will be rounded up to the nearest whole number.

3.4 Foreign KGD Shareholders

(a) FRS will, unless satisfied in its sole discretion that the laws of a Foreign KGD Securityholder's country of residence (as shown in the Register) allow for the issue of FRS Shares to the Foreign KGD Securityholder (either unconditionally or after compliance with conditions which FRS regards in its sole discretion but acting reasonably as acceptable and not unduly onerous and not unduly impracticable), issue the FRS Shares to which a Foreign KGD Securityholder would otherwise become entitled, to a nominee appointed by FRS (**Sale Nominee**).

(b) FRS will cause the FRS Shares to be offered for sale by the Sale Nominee on ASX as soon as practicable and otherwise in the manner, at the price and on such other terms and conditions as are determined by the Sale Nominee acting in good faith; and

(c) FRS will cause the Sale Nominee to pay (after deducting any applicable brokerage, duty and other selling costs, taxes and charges) each Foreign KGD Securityholder, the amount ascertained in accordance with the following formula (calculated on an average basis so that all Foreign KGD Securityholder who accept the Offer receive the same value per KGD Share, subject to rounding):

$$\frac{NPS \times FS}{TS}$$

Where:

NPS is the amount received by the Sale Nominee upon the sale of FRS Shares, less the expenses of the sale (brokerage, stamp duty and other selling costs, taxes and charges);

FS is the number of FRS Shares which would have been allotted and issued to the Foreign KGD Securityholder but for the FRS Shares being issued to the Sale Nominee; and

TS is the total number of FRS Shares allotted and issued to the Sale Nominee under this Section 3.4(c) in respect of the KGD Shares held by all Foreign KGD Shareholders.

3.5 Conditions of the Offer

(a) The Offer and any contract which results from their acceptance will be subject to the Conditions.

(b) Each party must use all reasonable endeavours to satisfy the Conditions as soon as practicable after the date of this deed.

For personal use only

(c) KGD must use all reasonable endeavours to ensure that the Conditions in paragraphs 3 (No Prescribed Occurrence) and 5 (Conduct of Business) of Schedule 2 are not breached prior to the end of the Offer Period, provided that nothing in this clause requires the directors of KGD to take any action which would result in a breach of a statutory or fiduciary duty.

(d) FRS may waive the satisfaction of any Condition in its sole discretion.

3.6 Offer Period

The parties intend that the Offer Period will be 1 month, but acknowledge and agree that the Offer Period may be extended by FRS at its discretion or automatically, in accordance with the Corporations Act.

3.7 Variation

(a) FRS may vary the Offer in accordance with the Corporations Act.

(b) Subject always to the Corporations Act and clauses 3.5 and 3.6, FRS may declare the Offer to be free from any Condition or extend the Offer Period at any time.

3.8 KGD Options

(a) KGD represents that the unlisted options set out in clause 7.3(j) (**KGD Options**) are all of the options currently on issue in KGD.

(b) KGD must ensure that, before the end of the Offer Period, each holder of a KGD Option has been given a written notice explaining the effect of the Takeover Bid on their KGD Options and the rights (if any) of the holder to exercise or otherwise deal with those KGD Options.

(c) FRS must extend the Offer to KGD Shares that are issued by reason of KGD Options exercised during the Offer Period.

(d) FRS must within 14 days of the issue of any FRS Shares under the Takeover Bid, offer to holders of any KGD Options not exercised during the Offer Period (**Unexercised Options**) to, where the terms of the Unexercised Options allow it, cancel their Unexercised Options for a price determined using the Black-Scholes model with the following inputs and to be satisfied through the issue of FRS Shares with a valuation of $0.286 per FRS Share and fractions rounded up to the nearest FRS Share:

(i) KGD's Share price being $0.0440.

(ii) A risk-free rate of 3.60%.

(iii) Volatility of 200.13%.

Any FRS Shares issued pursuant to this clause will be subject to FRS shareholder approval and will be offered under a prospectus (unless an applicable exception under section 708 of the Corporations Act applies). FRS will, in the event shareholder approval is not obtained, pay the holder of Unexercised Options the cash value of the Unexercised Options.

(e) KGD must use reasonable endeavours to ensure that, where required and possible (subject to ASX Listing Rules), the terms of any Unexercised

For personal use only

Options are varied to allow for their cancellation in accordance with this clause.

4. DOCUMENTATION AND RECOMMENDATION OF KGD DIRECTORS

4.1 FRS's obligations to prepare documentation

(a) FRS will prepare:

(i) the Bidder's Statement; and

(ii) an acceptance form for the Offer,

in each case consistent with clauses 3.2 to 3.6 and in accordance with the Corporations Act.

(b) FRS agrees to do and to procure its Officers to do such things as are reasonably necessary to prepare the Bidder's Statement, its lodgement with ASIC and despatch to in accordance with the Timetable, subject to KGD granting any necessary consents and ASIC granting any necessary modifications.

4.2 KGD's obligations to prepare documentation

(a) KGD will prepare the Target's Statement in response to the Offer in accordance with the Corporations Act.

(b) KGD agrees to do and to procure its Officers to do such things as are reasonably necessary to prepare the Target's Statement, its lodgement with ASIC and despatch to KGD Shareholders in accordance with the Timetable, subject to FRS granting any necessary consents and ASIC granting any necessary modifications.

4.3 Provision of Information

Each party agrees that it will provide to the other party such information (including Confidential Information on the terms set out in this deed) as is reasonably required by the other party in order to enable the other party to fulfil its obligations under this deed, including, but not limited to, the preparation of the Bidder's Statement and Target's Statement.

4.4 Recommendation of KGD Directors

KGD represents and warrants that:

(a) the KGD Board will recommend that all KGD Shareholders accept the Offer, subject to there being no Superior Proposal;

(b) it has been informed by each of the directors of KGD that they intend to accept the Offer within 21 days of the Offer becoming open for acceptance in respect of all KGD Shares owned or controlled by that director, subject to there being no Superior Proposal; and

(c) it has been informed by each of the directors of KGD that they will not withdraw, revise, revoke or qualify, or make any public statement inconsistent with, the recommendation in clause 4.4(a) unless a Superior Proposal emerges.

For personal use only

4.5 Review of Bidder's Statement and Target's Statement

Subject to there being no Superior Proposal:

(a) FRS agrees that it will provide KGD with a reasonable opportunity to review the final draft of its Bidder's Statement and any supplementary bidder's statements and KGD agrees that it will provide FRS with a reasonable opportunity to review the final draft of its Target's Statement and any supplementary Target's statements; and

(b) each party agrees to consider in good faith, and consult in relation to, all reasonable and timely comments received from the other and its Advisers and make such changes to its statement as are reasonably required by the other.

4.6 Joint Despatch

Each party agrees that it will take prompt action to ensure that the Bidder's Statement and Target Statement can be mailed together to KGD Shareholders in accordance with the Timetable.

4.7 Timetable

Each party agrees to use its reasonable endeavours to comply with the Timetable.

4.8 Consent to early dispatch of Bidder's Statement

KGD agrees (by authority of its directors) that the Offer and accompanying documents to be sent by FRS under the Takeover Bid under item 6 of section 633(1) of the Corporations Act may (subject to agreement with KGD) be sent earlier than the date for sending under item 6 of section 633(1) of the Corporations Act as contemplated in the Timetable.

5. CONDUCT OF BUSINESS

5.1 Overview

(a) From the date of this deed until the expiry of the Restriction Period, each party must:

(i) conduct its business in the ordinary and proper course and in substantially the same manner as previously conducted or may be required in order to satisfy a specific requirement of a Regulatory Authority; and

(ii) take reasonable steps to preserve and maintain the value of its business;

(iii) comply with all applicable laws; and

(iv) regularly consult with the other party on the manner of conduct of its business, including on any matters that may have an adverse impact on the integration of the businesses of FRS and KGD following implementation of the Takeover Bid.

For personal use only

(b) For the purpose of clause 5.1(a) and subject to the terms of this deed:

(i) FRS making the Offer and responding to any Competing Proposal (together with all associated activity and expenditure) in accordance with this deed, is deemed to be FRS conducting its business in the ordinary and proper course; and

(ii) KGD responding to the Offer and responding to any potential Competing Proposal (together with all associated activity and expenditure) in accordance with this deed, is deemed to be KGD conducting its business in the ordinary and proper course.

(c) Nothing in clause 5.1(a) restricts the ability of either Party to take any action which:

(i) is required, permitted or contemplated by this deed;

(ii) has been fairly disclosed by the Party prior to execution of this deed, including in public filings to the ASX;

(iii) is required by any applicable law or Regulatory Authority;

(iv) is required by any legal or contractual obligation arising before and which has been fairly disclosed to the other Party prior to the date of this deed;

(v) is required to reasonably and prudently respond to an emergency or disaster (including a situation giving rise to a risk of personal injury or damage to property);

(vi) has been agreed to in writing by the other Party; or

(vii) involves the incurring of reasonable costs in relation to the transactions contemplated by the Takeover Bid.

5.2 Prohibited actions

Other than with FRS's prior approval or as fairly disclosed to FRS in writing or to the ASX before the date of this deed, KGD must not during the Restriction Period:

(a) **Material Contracts**

Enter into, terminate or materially vary, amend or modify a Material Contract.

(b) **Employment agreements**

Increase the remuneration of or pay any bonus (including under any existing or proposed employee performance bonus policy or retention bonus policy) or issue or agree to issue any securities or options to, or otherwise vary or amend the employment or consultancy agreements with, any of its directors or employees, except that this clause shall not preclude a party from making any payments under an existing employment contract are not prohibited by the Corporations Act and the Listing Rules and is in place as at the date of this deed and a copy of which has previously been provided to the other party.

For personal use only

(c) **Accelerate rights**

Accelerate the rights of any of its directors or employees to benefits of any kind.

(d) **Termination payments**

Pay a director or executive a termination payment, other than as provided for in an existing employment contract in place as at the date of this deed and a copy of which has previously been provided to FRS.

(e) **Arrangements with financial advisers**

Amend in any material respect any arrangement with its financial advisers in respect of the transactions contemplated by this deed.

(f) **Financial accommodation**

Obtain or agree to obtain any financial accommodation from any party.

(g) **Prescribed Occurrence**

Take any action which would be reasonably expected to give rise to a Prescribed Occurrence.

(h) **Disposal**

Offer to dispose or agree to dispose of, or create, or offer to create an equity interest in, any material asset or a material interest in any such asset without prior consultation of FRS.

(i) **Agreement**

Agree to do any of the matters set out above.

Nothing in this clause prevents KGD from taking action as contemplated in clause 3.8.

5.3 Director and Officer Insurance

(a) During the Insurance Run-Off Period, KGD must, and FRS must procure KGD to, ensure that each Officer is at all times covered under the Insurance Policy, or a further insurance policy on terms not materially less favourable to the Officer than the terms of the Insurance Policy operating at the Retirement Date.

(b) The undertakings contained in clause 5.3(a) are subject to any Corporations Act restriction and will (if and to the extent required) be read down accordingly.

6. DISCUSSIONS WITH OTHERS

6.1 No existing discussions

KGD represents and warrants that, other than the discussions with FRS in respect of the Takeover Bid, it is not currently in negotiations or discussions in respect of any Competing Proposal with any person.

For personal use only

6.2 No-shop and no talk

During the Exclusivity Period, KGD must not, and must ensure that each of its Related Persons do not, directly or indirectly:

(a) **no shop:** solicit, invite, encourage or initiate (including by the provision of non-public information to any Third Party) any inquiry, expression of interest, offer, proposal or discussion by any person in relation to, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or communicate to any person an intention to do anything referred to in this clause 6.2(a); or

(b) **no talk and no due diligence:** subject to clause 6.3:

(i) participate in or continue any negotiations or discussions with respect to any inquiry, expression of interest, offer, proposal or discussion by any person to make, or which would reasonably be expected to encourage or lead to the making of, an actual, proposed or potential Competing Proposal or participate in or continue any negotiations or discussions with respect to any actual, proposed or potential Competing Proposal;

(ii) negotiate, accept or enter into, or offer or agree to negotiate, accept or enter into, any agreement, arrangement or understanding regarding an actual, proposed or potential Competing Proposal;

(iii) disclose or otherwise provide any non-public information about the business or affairs of the KGD Group to a Third Party (other than a Regulatory Authority) with a view to obtaining, or which would reasonably be expected to encourage or lead to receipt of, an actual, proposed or potential Competing Proposal (including, without limitation, providing such information for the purposes of the conduct of due diligence investigations in respect of the KGD Group whether by that Third Party or another person); or

(iv) communicate to any person an intention to do anything referred to in the preceding paragraphs of this clause 6.2(b).

Nothing in this clause 6.2 prevents KGD from making normal presentations to brokers, portfolio managers and analysts in the ordinary course of business or promoting the merits of the Takeover Bid.

6.3 Fiduciary exception

Clauses 6.2(b)and 6.4 (only to the extent it requires disclosure of the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Proposal) do not prohibit any action or inaction by KGD or any of its Related Persons in relation to any actual, proposed or potential Competing Proposal, which the KGD Board acting in good faith determines, having regard to written advice from its external legal Advisers, is a Superior Proposal (or which may reasonably be expected to result in the Competing Proposal becoming a Superior Proposal) and the failure to take or not take such action would constitute, or would be likely to constitute, a breach of the fiduciary or statutory duties of the directors of KGD, provided that the actual, proposed or potential Competing

For personal use only

Proposal was not directly or indirectly brought about by, or facilitated by, a breach of clause 6.2(a).

6.4 Notice of approach

(a) During the Exclusivity Period, KGD must as soon as possible (and in any event within 24 hours) notify FRS in writing if it or any of its Related Persons becomes aware of any:

(i) negotiations or discussions, approach or attempt to initiate any negotiations or discussions, or intention to make such an approach or attempt to initiate any negotiations or discussions in respect of any inquiry, expression of interest, offer, proposal or discussion in relation to an actual, proposed or potential Competing Proposal;

(ii) proposal made to KGD or any of its Related Persons, in connection with, or in respect of any exploration or completion of, an actual, proposed or potential Competing Proposal; or

(iii) provision by KGD or any of its Related Persons of any non-public information concerning the business or operations of KGD or the KGD Group to any a Third Party (other than a Regulatory Authority) in connection with an actual, proposed or potential Competing Proposal,

whether direct or indirect, solicited or unsolicited, and in writing or otherwise unless (and only to the extent that) the KGD Board, acting in good faith and having regard to external legal advice, determines that it would be a breach of their fiduciary or statutory duties to notify FRS.

(b) A notification given under clause 6.4(a) must include the identity of the relevant person making or proposing the relevant actual, proposed or potential Competing Proposal, together with all terms and conditions of the actual, proposed or potential Competing Proposal.

(c) Commencing upon the provision of any notice referred to in clause 6.4(a), KGD must as soon as possible advise FRS of any material developments in relation to an actual, proposed or potential Competing Proposal, including material amendments or proposed amendments to the terms of such actual, proposed or potential Competing Proposal, and advise FRS of the timing of any board meeting to consider that proposal unless (and only to the extent that) the KGD Board, acting in good faith and having regard to external legal advice, determines that it would be a breach of their fiduciary or statutory duties to notify FRS.

6.5 Matching right

(a) Without limiting clause 6.2, during the Exclusivity Period, KGD:

(i) must not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which a Third Party, KGD or both proposes or propose to undertake or give effect to an actual, proposed or potential Competing Proposal; and

(ii) must procure that none of its directors change their recommendation of the Takeover Bid or publicly recommend an

For personal use only

actual, proposed or potential Competing Proposal or recommend against the Takeover Bid (provided that a statement that no action should be taken by KGD Shareholders pending the assessment of a Competing Proposal by the KGD Board and its Advisers shall not contravene this clause),

unless:

(iii) the KGD Board acting in good faith and in order to satisfy what the members of the KGD Board consider to be their statutory or fiduciary duties (having received written advice from its external Advisers) determines that the Competing Proposal would be or would be likely to be an actual, proposed or potential Superior Proposal;

(iv) KGD has provided FRS with all terms and conditions of the actual, proposed or potential Competing Proposal, including price and the identity of the Third Party making the actual, proposed or potential Competing Proposal;

(v) KGD has given FRS at least 5 Business Days after the date of the provision of the information referred to in clause 6.5(a)(iv) to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal; and

(vi) FRS has not announced or otherwise formally proposed to KGD a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal by the expiry of the 5 Business Day period in clause 6.5(a)(v) above.

(b) If FRS proposes to KGD, or announces, amendments to the terms of the Takeover Bid including increasing the amount of consideration offered under the Offer or a new proposal that constitutes a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal (**Counterproposal**) by the expiry of the 5 Business Day period in clause 6.5(a)(v) above, KGD must procure that the KGD Board considers the FRS Counterproposal and if the KGD Board, acting reasonably and in good faith, determines that the Counterproposal (as completed) would provide an equivalent or superior outcome for KGD Shareholders as a whole (other than FRS and those who are associates of FRS) compared with the Competing Proposal (taking into account all of the terms and conditions of the Counterproposal), then KGD and FRS must use their best endeavours to agree the amendments to this deed and the Takeover Bid (as applicable) that are reasonably necessary to reflect the Counterproposal and to implement the Counterproposal, in each case as soon as reasonably practicable, and KGD must procure that each of the directors of KGD continues to recommend the Takeover Bid (as modified by the Counterproposal) to KGD Shareholders.

6.6 Cease discussions

KGD must, and must procure that its Related Bodies Corporate, cease any discussions or negotiations existing as at the date of this deed relating to:

(a) any actual, proposed or potential Competing Proposal; or

(b) any transaction that would, or would reasonably be expected to, reduce the likelihood of success of the Takeover Bid.

For personal use only

6.7 Provision of information by KGD

(a) Subject to clause 6.7(b), during the Exclusivity Period, KGD must as soon as possible provide FRS with:

(i) in the case of written materials, a copy of; and

(ii) in any other case, a written statement of,

any material non-public information about the business or affairs of KGD or the KGD Group disclosed or otherwise provided to any Third Party in connection with an actual, proposed or potential Competing Proposal that has not previously been provided to FRS.

(b) KGD will not, and will procure that none of its Related Persons, provide any information to a Third Party in relation to an actual, proposed or potential Competing Proposal, unless:

(i) permitted by clause 6.3;

(ii) KGD Board acting in good faith determines, having regard to written advice from its external legal Advisers, is a Superior Proposal (or which may reasonably be expected to result in the Competing Proposal becoming a Superior Proposal) and the failure to take or not take such action would constitute, or would be likely to constitute, a breach of the fiduciary or statutory duties of the directors of KGD, provided that the actual, proposed or potential Competing Proposal was not directly or indirectly brought about by, or facilitated by, a breach of this clause; and

(iii) that Third Party has entered into a confidentiality agreement with KGD on customary terms and which is no more favourable to the Third Party than clause 10.

6.8 Compliance with law

(a) If it is finally determined by a court, or the Takeovers Panel, that the agreement by the parties under this clause 6 or any part of it:

(i) constituted, or constitutes, or would constitute, a breach of the fiduciary or statutory duties of the KGD Board;

(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) KGD will not be obliged to comply with that provision of clause 6.

(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 6.8.

For personal use only

7. WARRANTIES

7.1 FRS Warranties

FRS represents and warrants to KGD that as at the date of this deed, subject to the matters fairly disclosed in public filings of FRS and provided by FRS to KGD in writing prior to the date of this deed that are within the actual knowledge of KGD or otherwise in the public domain:

(a) each member of the FRS Group is a validly existing corporation registered under the laws of its place of incorporation;

(b) the execution and delivery of this deed by FRS has been properly authorised by all necessary corporate action and FRS has full corporate power and lawful authority to execute and deliver this deed and to perform or cause to be performed its obligations under this deed;

(c) (subject to the laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it and execution of this deed will not result in a breach of or default under FRS's constitution or any agreement or agreement or writ, order or injunction, rule or regulation to which FRS or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency;

(d) the FRS Shares to be offered as consideration under clause 3 will be duly authorised and validly issued, not liable to the imposition of any duty and be free of all Encumbrances, security interests and third party rights, will be fully paid and will rank equally with all other FRS Shares;

(e) to the best of FRS's knowledge, having made reasonable enquires, it has complied with its continuous disclosure obligations under the Listing Rules and the Corporations Act;

(f) its accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of Australian Accounting Standards requires a change to past practices) and in accordance with all relevant accounting standards;

(g) no resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets;

(h) there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the FRS Group that does or is reasonably likely to constitute a FRS Material Adverse Change;

(i) all material leases and permits held by, or on behalf of, FRS or any Subsidiary of FRS are in good standing and FRS and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable petroleum and gas legislation in all material respects and, as far as FRS is aware, such material leases and permits are not liable to forfeiture;

For personal use only

(j) there has not been an event of default or notice of a breach of covenant pursuant to the Brevet debt facility agreement;

(k) it is not aware of any act, omission, event or fact that would result in one or more of the Conditions being breached, except as disclosed by the FRS to KGD in writing prior to the date of this deed; and

(l) as at the date of this deed, FRS has the following securities on issue (as set out in the table below) and there are no other shares, options, notes or other securities of FRS and no rights to be issued such shares, options, notes or other securities other than (i) as detailed in Schedule 4, or (iii) as envisaged by this deed.

SECURITIES	
Shares	
FRS Shares	416,436,900
Options	
*FRSOB: OPTION EXPIRING 20-NOV-2025 EX $0.075	27,185,685
*FRSOA: OPTION EXPIRING 30-JUN-2026 EX $0.15	28,093,076
**FRSAO: OPTION EXPIRING 05-DEC-2027 EX $0.075	1,500,000
**FRSAN: OPTION EXPIRING 05-DEC-2026 EX $0.05	1,500,000
**OPTION EXPIRING 16-DEC-2025 EX $0.65	150,000
TOTAL	**58,428,761**

*Quoted on the ASX
**Unquoted class

7.2 FRS Indemnity

FRS agrees with KGD to indemnify KGD and keep KGD indemnified against all losses, liabilities, damages, costs, charges and expenses which it may suffer or incur by reason of any breach of the warranties in clause 7.1.

7.3 KGD Warranties

KGD represents and warrants to FRS that as at the date of this deed, subject to the matters fairly disclosed in public filings of KGD and provided by KGD to FRS in writing prior to the date of this deed, that are within the actual knowledge of FRS or otherwise in the public domain:

(a) each member of the KGD Group is a validly existing corporation registered under the laws of its place of incorporation;

(b) the execution and delivery of this deed by KGD has been properly authorised by all necessary corporate action and KGD has full corporate power and lawful authority to execute and deliver this deed and to perform or cause to be performed its obligations under this deed;

(c) (subject to the laws generally affecting creditors' rights and the principles of equity) this deed constitutes legal, valid and binding obligations on it and execution of this deed will not result in a breach of or default under KGD's constitution or any agreement or deed or writ, order or injunction,

For personal use only

rule or regulation to which KGD or any of its Subsidiaries is a party or to which they are bound or require any consent or approval, authorisation or permit from any governmental agency;

(d) to the best of KGD's knowledge, having made reasonable enquires, it has complied with its continuous disclosure obligations under the Listing Rules and the Corporations Act and is not relying on Listing Rule 3.1A to withhold any information from disclosure other than as disclosed in writing to FRS or its Representatives on or before the date of this deed;

(e) KGD Group's accounts are prepared on a consistent basis with past practices (except to the extent that the adoption of Australian Accounting Standards requires a change to past practices) and in accordance with all relevant accounting standards;

(f) no resolutions have been passed or steps taken, and no petition or other process has been presented or threatened in writing against it for winding-up or dissolution, and no receiver, receiver and manager, liquidator, administrator or like official has been appointed, or is threatened or expected to be appointed, over the whole or any part of its assets;

(g) there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the KGD Group that does or is reasonably likely to constitute a KGD Material Adverse Change;

(h) all material leases and permits held by, or on behalf of, KGD or any Subsidiary of KGD are in good standing and KGD and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable petroleum and gas legislation in all material respects and, as far as KGD is aware, such material leases and permits are not liable to forfeiture;

(i) it is not aware of any act, omission, event or fact that would result in one or more of the Conditions being breached, except as disclosed by KGD to FRS in writing prior to the date of this deed; and

(j) as at the date of this deed, KGD has the following securities on issue (as set out in the table below) and there are no other shares, options, notes or other securities of KGD and no rights to be issued such shares, options, notes or other securities other than as a result of the conversion or exercise of convertible securities or as envisaged by this deed.

SECURITIES	
Shares	
KGD Shares	1,151,567,105
Options*	
KGDAAF : OPTION EXPIRING 31-MAY-2027 EX $0.015	37,500,000
KGDAAA : OPTION EXPIRING 01-JUL-2026 EX $0.06	8,350,000
KGDAAD : OPTION EXPIRING 01-JUL-2026 EX $0.02	5,000,000

For personal use only

KGDAAE : OPTION EXPIRING 01-JUL-2027 EX $0.05	5,000,000
KGDAAC : OPTION EXPIRING 07-NOV-2025 EX $0.08	6,000,000
KGDAAG : OPTION EXPIRING 30-JUN-2027 EX $0.025	7,500,000
TOTAL	**69,350,000**

* All options on issue are unquoted.

7.4 KGD Indemnity

KGD agrees with FRS to indemnify and keep FRS indemnified against all losses, liabilities, damages, costs, charges and expenses which it may suffer or incur by reason of any breach of any of the warranties in clause 7.3.

7.5 Survival of warranties and indemnities

(a) Each representation and warranty given under this clause 7:

(i) is severable;

(ii) will survive the termination of this deed; and

(iii) is given with the intent that liability thereunder will not be confined to breaches which are discovered prior to the date of termination of this deed.

(b) Each indemnity given under clause 7.2 and 7.4:

(i) is severable;

(ii) is a continuing obligation that is separate and independent to any other obligation that the party giving the indemnity has under this deed; and

(iii) will survive termination of this deed.

8. TERMINATION

8.1 Termination rights

This deed may be terminated by a party by notice to the other party:

(a) if the other party is in material breach of this deed and that breach is capable of being remedied and is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;

(b) if FRS withdraws the Takeover Bid as permitted by the Corporations Act for any reason including non-satisfaction of a Condition or if the Takeover Bid lapses;

(c) if there is a material breach of a representation or warranty contained in clause 7 by the other party and that breach is not remedied by that other party within 5 Business Days of it receiving notice from the first party of the details of the breach and the first party's intention to terminate;

For personal use only

(d) if a Court or other Regulatory Authority has issued a final and non-appealable order, decree or ruling or taken other action which permanently restrains or prohibits the Takeover Bid; or

(e) if the other party or any of their Related Bodies Corporate becomes Insolvent.

8.2 Termination by FRS

This deed may be terminated by FRS by notice in writing to KGD if:

(a) a Superior Proposal is made or publicly announced for KGD by a third party; or

(b) a KGD Material Adverse Change or a Prescribed Occurrence occurs.

8.3 Termination by KGD

This deed may be terminated by KGD by notice in writing to FRS if:

(a) a Superior Proposal is made or publicly announced for KGD by a third party;

(b) an FRS Material Adverse Change has occurred; or

(c) a majority of the KGD Directors recommend a Superior Proposal, provided always that clause 6 has been complied with and FRS has decided not to match that Superior Proposal in accordance with clause 6.5.

8.4 Effect of termination

If this deed is terminated by a party under this clause 8:

(a) each party will be released from its obligations under this deed except that clauses 1, 8, 10, 12 and 13 will continue to apply;

(b) each party will retain the rights it has or may have against the other party in respect of any past breach of this deed; and

(c) in all other respects, all future obligations of the parties under this deed will immediately terminate and be of no further force or effect, including, without limitation, any further obligations in respect of the Takeover Bid.

9. ANNOUNCEMENT OF TAKEOVER BID

9.1 Public announcement of Takeover Bid

The parties must each use best endeavours to agree the form of each other's announcement of the Takeover Bid.

9.2 Required disclosure

Subject always to its continuous disclosure obligations under the Listing Rules and applicable laws, where a party is required by law or the Listing Rules to make any announcement or make any disclosure relating to a matter the subject of the Takeover Bid, it must use best endeavours to give the other party as much notice as reasonably practicable having regard to its disclosure obligations and consult

For personal use only

with the other party to the extent reasonably practicable having regard to its disclosure obligations.

9.3 Other announcements

Subject to clause 9.1 and 9.2 and its continuous disclosure obligations under the Listing Rules and applicable laws, no party may make any public announcement or disclosure in connection with the Takeover Bid (including disclosure to a Regulatory Authority) unless it has used best endeavours to obtain the approval of the form of the disclosure by the other party (acting reasonably). Each party will use all reasonable endeavours to provide such approval as soon as practicable.

10. CONFIDENTIAL INFORMATION OBLIGATIONS

10.1 Disclosure of FRS Confidential Information

No FRS Confidential Information may be disclosed by KGD to any person except:

(a) Representatives of KGD requiring the information for the purposes of this deed;

(b) with the written consent of FRS;

(c) if KGD is required to do so by law or by the Listing Rules; or

(d) if KGD is required to do so in connection with legal proceedings relating to this deed.

10.2 Use of FRS's Confidential Information

KGD must use FRS's Confidential Information exclusively for the purpose of considering the Takeover Bid, any Competing Proposal and preparing the Target's Statement and for no other purpose (and must not make any use of any FRS's Confidential Information to the competitive disadvantage of FRS or any of its Related Bodies Corporate).

10.3 Disclosure of KGD Confidential Information

No KGD Confidential Information may be disclosed by FRS to any person except:

(a) Representatives of FRS requiring the information for the purposes of this deed;

(b) with the written consent of KGD;

(c) if FRS is required to do so by law or by the Listing Rules; or

(d) if FRS is required to do so in connection with legal proceedings relating to this deed.

10.4 Use of KGD Confidential Information

FRS must use the KGD Confidential Information exclusively for the purpose of preparing the Bidder's Statement and for no other purpose (and must not make any use of any KGD Confidential Information to the competitive disadvantage of KGD or any of its Subsidiaries).

For personal use only

For personal use only

10.5 Disclosure by recipient of Confidential Information

Any party disclosing information under clause 10.1(a) or 10.1(b) or 10.3(a) or 10.3(b) must use all reasonable endeavours to ensure that persons receiving Confidential Information from it do not disclose the information except in the circumstances permitted in clause 10.1 or 10.3.

10.6 Excluded Information

Clauses 10.1 to 10.5 (inclusive) do not apply to the Excluded Information.

10.7 Return of Confidential Information

A party who has received Confidential Information from another under this deed must, on the request of the other party, promptly deliver to that party all documents or other materials containing or referring to that information which are in its possession, power or control or in the possession, power or control of persons who have received Confidential Information from it under clauses 10.1(a) or 10.1(b) or 10.3(a) or 10.3(b).

10.8 Termination

This clause 10 will survive termination (for whatever reason) of this deed.

11. NOTICES AND OTHER COMMUNICATIONS

11.1 Requirements for notices

Each notice authorised or required to be given to a party shall be in legible writing and in English addressed to the party's address set out in clause 11.2 (or such other address nominated in accordance with clause 11.3).

11.2 Details

The initial address of the parties shall be as follows:

(a) **FRS**

Address: Suite 1, 295 Rokeby Road, Subiaco WA 6008

Email: david.geraghty@forrestaniaresources.com.au

Attention: David Geraghty

(b) **Kula Gold Ltd**

Address: Suite 2
20 Howard Street
PERTH WA 6000

Email: cosec@kulagold.com.au

Attention: Keith Bowker

With a copy of communications to FRS to Toby Hicks (E-mail: t.hicks@steinpag.com.au), and a copy of communications to KGD (for information purposes only) to Julian Atkinson (E-mail: julian@atkinsonlaw.com.au).

11.3 Change of Address

Each party may from time to time change its address by giving notice pursuant to clause 11.1 to the other party.

11.4 Receipt of notice

Any notice given pursuant to this clause 11 will be conclusively deemed to have been received:

(a) in the case of personal delivery, on the actual day of delivery;

(b) if sent by mail, two (2) Business Days from and including the day of posting; or

(c) if sent electronically, when the electronic communication becomes capable of being retrieved by the addressee at the addressee's nominated electronic address,

but if the delivery or receipt is on a day that is not a Business Day or is after 5:00 pm (addressee's time) it is regarded as received at 9:00 am on the following Business Day.

12. GOODS AND SERVICES TAX (GST)

12.1 Consideration does not include GST

The consideration specified in this deed does not include any amount for GST.

12.2 Recovery of GST

If a supply under this deed is subject to GST, the recipient must pay to the supplier an additional amount equal to the Amount of the Consideration multiplied by the applicable GST rate.

12.3 Time of payment

The additional amount is payable at the same time as the consideration for the supply is payable or is to be provided. However, the additional amount need not be paid until the supplier gives the recipient a tax invoice.

12.4 Adjustment of additional amount

If the additional amount differs from the amount of GST payable by the supplier, the parties must adjust the additional amount.

12.5 Reimbursement

If a party is entitled to be reimbursed or indemnified under this deed, the amount to be reimbursed or indemnified does not include any amount for GST for which the party is entitled to an Input Tax Credit.

For personal use only

12.6 Survival

This clause 12 will survive termination of this deed.

13. MISCELLANEOUS

13.1 Discretion in exercising rights

A party may exercise a right or remedy or give or refuse its consent in any way it considers appropriate (including by imposing conditions) unless this deed expressly states otherwise.

13.2 Partial exercising of rights

If a party does not exercise a right or remedy fully or at a given time, the party may still exercise it later.

13.3 No liability for loss

A party is not liable for loss caused by the exercise or attempted exercise of, failure to exercise, or delay in exercising a right or remedy under this deed.

13.4 Approvals and consents

By giving its approval or consent, a party does not make or give any warranty or representation as to any circumstance relating to the subject matter of the consent or approval.

13.5 Conflict of interest

The parties' rights and remedies under this deed may be exercised even if it involves a conflict of duty or a party has a personal interest in their exercise.

13.6 Remedies cumulative

The rights and remedies in this deed are in addition to other rights and remedies given by law independently of this deed.

13.7 Variation and waiver

A provision of this deed or a right created under it, may not be waived or varied except in writing, signed by the party or parties to be bound.

13.8 No merger

The warranties, undertakings and indemnities in this deed do not merge on completion of any transaction contemplated by this deed.

13.9 Indemnities

The indemnities in this deed are continuing obligations, independent from the other obligations of the parties under this deed and continue after this deed ends. It is not necessary for a party to incur expense or make payment before enforcing a right of indemnity under this deed.

For personal use only

For personal use only

13.10 Further Acts

Each party will promptly do and perform all further acts and execute and deliver all further documents (in form and content reasonably satisfactory to that party) required by law or reasonably requested by the other party to give effect to this deed.

13.11 Construction

No rule of construction applies to the disadvantage of a party because that party was responsible for the preparation of, or seeks to rely on, this deed or any part of it.

13.12 Costs

The parties agree to pay their own legal and other costs and expenses in connection with the preparation, execution and completion of this deed and other related documentation except for stamp duty.

13.13 Duty

FRS agrees to pay all duty (including fines and penalties) payable and assessed on this deed or in respect of a transaction evidenced by this deed.

13.14 Assignment

No party may assign, novate or otherwise transfer any of its rights or obligations under this deed without the prior written consent of the other party.

13.15 No representation or reliance

Each party acknowledges that:

(a) no party (nor any person acting on its behalf) has made any representation or other inducement to it to enter into this deed, except for representations or inducements expressly set out in this deed;

(b) it does not enter into this deed in reliance on any representation or other inducement by or on behalf of any other party, except for any representation or inducement expressly set out in this deed; and

(c) clauses 13.15(a) and 13.15(b) above do not prejudice any rights a party may have in relation to information which had been filed by the other party with ASIC or ASX.

13.16 Counterparts

This deed may be executed in any number of counterparts. All counterparts will be taken to constitute one instrument. Electronic signatures are taken to be valid and binding to the same extent as original signatures.

(a) In this clause 13.16, **electronic signature** means a digital signature or a visual representation of a person's handwritten signature or mark, which is placed on a physical or electronic copy of this deed, by electronic or mechanical means.

(b) The parties consent to this deed being signed by or on behalf of a party by an electronic signature.

(c) Where this deed is electronically signed by or on behalf of a party, the party warrants and agrees that the electronic signature has been used to identify the person signing and to indicate that the party intends to be bound by the electronic signature.

(d) This deed may be electronically signed in any number of counterparts, which together will constitute the one document.

(e) Each party consents to the exchange of counterparts of this deed by delivery by email or such other electronic means as may be agreed in writing.

(f) Each party must upon request, promptly deliver a physical counterpart of this deed with the handwritten signature or signatures of the party and all written evidence of the authority of a person signing on their behalf, but a failure to comply with the request does not affect the validity of this deed.

13.17 Knowledge and belief

Any statement made by a party on the basis of its knowledge, information, belief or awareness, is made on the basis that the party has, in order to establish that the statement is accurate and not misleading in any material respect, made all reasonable enquiries of its officers, managers and employees who could reasonably be expected to have information relevant to matters to which the statement relates.

14. GOVERNING LAW AND JURISDICTION

14.1 Jurisdiction

(a) Each party irrevocably submits to the non-exclusive jurisdiction of the courts of Western Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings which may be brought at any time relating to this deed

(b) Each party also irrevocably waives any objection it may now or in the future have to the venue of any proceedings, and any claim it may now or in the future have that any proceedings have been brought in an inconvenient forum, where the venue falls within clause (a).

14.2 Governing Law

This deed is governed by and will be construed in accordance with the laws of Western Australia.

For personal use only

SCHEDULE 1 – TIMETABLE

DATE	EVENT
Tuesday, 14 October 2025	Announcement Date
Monday, 27 October 2025	**Lodgement Date** Date FRS lodges Bidder's Statement with ASIC and serves it on KGD and ASX
Tuesday, 28 October 2025	**Register Date** Date set by FRS pursuant to section 633(3) of the Corporations Act
Wednesday, 29 October 2025	**Offer Date** FRS despatch the Bidder's Statement to KGD Shareholders
Wednesday, 29 October 2025	Date KGD lodges Target's Statement with ASIC and serves it on FRS and ASX
Wednesday, 29 October 2025	KGD despatch the Target's Statement.
Monday, 1 December 2025	Offer Period ends (unless extended in accordance with the Corporations Act)

For personal use only

For personal use only

SCHEDULE 2 – BID CONDITIONS

1. Minimum Acceptance

At or before the end of the Offer Period, FRS has a Relevant Interest in the number of KGD Shares that represents at least 50% of the aggregate of all the KGD Shares on issue (on a fully-diluted basis).

2. No regulatory action

Between the Announcement Date and the end of the Offer Period (each inclusive):

(a) there is not in effect any preliminary or final decision, order or ruling issued by any Government Authority;

(b) no application is made to any Government Authority (other than by FRS or any associate of FRS);

(c) no action or investigation is announced, commenced, or threatened by any Government Authority,

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, or action or investigation by, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibit or impedes, or threatens to restrain, prohibit or impede, or materially impact on, the making of the Offer and the completion of any transaction completed by the Bidder's Statement (including, without limitation, full, lawful, timely and effectual implementation of FRS's intentions expressed in the Bidder's Statement) or which requires the divestiture by FRS of any KGD Shares or any material assets of the KGD Group.

3. No Prescribed Occurrences

Between the Announcement Date and the date 3 business days after the end of the Offer Period (each inclusive) no Prescribed Occurrence occurs.

4. No exercise of rights under certain agreements or arrangements

If between the Announcement Date and the end of the Offer Period (each inclusive) any person:

(a) is entitled to exercise, or will as a result of the Takeover Bid, the acquisition of KGD Shares by FRS or the removal of KGD from the official list of ASX if the Takeover Bid is successful become entitled to exercise; or

(b) purports to exercise, states an intention to exercise (whether or not that intention is stated to be final decision), or asserts the ability to exercise, any right under any provision of any agreement or other arrangement to which any member of the KGD Group is a party or to which any member of the KGD Group or any of its assets or businesses may be subject, which results in, or could result in:

(i) any moneys borrowed by any member of the KGD Group being or becoming repayable or being declared repayable immediately or earlier than the repayment date provided for in such agreement or arrangement;

(ii) any such agreement or arrangement that imposes or may impose obligations or liabilities on any party of more than $250,000 per annum or more than $500,000 in total or that is otherwise material to the business of the KGD Group being terminated or modified or not renewed or the performance of any obligations under any such agreement or arrangement being accelerated; or

(iii) any assets of any member of the KGD Group, including any interest of any member of the KGD Group in any body corporate, trust, joint venture or other entity, being sold, transferred or offered for sale or transfer, including under any pre-emptive rights or similar provisions, or any contractual arrangements relating to any such asset or interest, being terminated or modified,

that person gives the relevant member of the KGD Group and FRS in writing a binding, irrevocable and unconditional release or waiver of that right.

5. Conduct of business

Between the Announcement Date and the end of the Offer Period (each inclusive), no member of the KGD Group:

(a) announces, declares, determines to pay, makes or pays any dividend or other distribution (whether in cash or in specie);

(b) incurs capital expenditure exceeding $500K or, except in the ordinary course of trading, transfers or otherwise disposes of or creates any Encumbrance in respect of, assets having a value exceeding $200k;

(c) acquires or disposes of any shares or other securities in any body corporate or any units in any trust, or substantially all of the assets of any business except where the aggregate consideration paid or received by all members of the KGD Group for all such acquisitions or disposals does not exceed $500k or enters into, or terminates any participation in, any partnership, joint venture or similar commitment;

(d) borrows an amount which when combined with all other amounts borrowed since the Announcement Date exceeds $300k or enters into any swap, option, futures contract, forward commitment or other derivative transaction;

(e) enters into, waives any material rights under, varies or terminates any contract, commitment or arrangement which may require annual expenditure by the relevant member of KGD Group in excess of $200k or is otherwise of material importance to the business of the KGD Group;

(f) enters into any unusual or abnormal contract or commitment which is outside the ordinary course of business and which could reasonably be expected to:

(i) change the nature of the business conducted by the KGD Group; or

(ii) have a material adverse impact on the business conducted by the KGD Group;

For personal use only

(g) enters into, amends, or agrees to enter into or amend any contract, commitment or other arrangement with a related party (as defined in section 228 of the Corporations Act), or an associate of that related party, of KGD;

(h) other than in the ordinary course of business and consistent with past practice, KGD or any of its subsidiaries disposes of, acquires or agrees to dispose of or acquire, or creates or agrees to create an equity interest in respect of any assets (including, without limitation, under any off-take, joint venture or similar deed), properties or businesses, or incurs, agrees to incur or enters into a commitment or a series of commitments involving capital expenditure by the KGD Group, whether in one or more transactions, where the amounts or value involved in such transaction or transactions, commitments or series of commitments exceeds $250k in aggregate;

(i) pays or agrees to pay the costs and expenses of all advisers to KGD Group in connection with the Takeover Bid where such costs and expenses exceed $400K

(j) accelerates the rights of any of its directors or employees to compensation or benefits of any kind (including, without limitation, the vesting of any performance rights);

(k) increases the remuneration of, makes any bonus payment, retention payment or termination payment to, or otherwise changes the terms and conditions of employment of:

(i) any directors of KGD; or

(ii) any employee of any member of the KGD Group whose total employment cost exceeds $150K

(l) issues any securities convertible into KGD Shares;

(m) changes its constitution (including adopting a new constitution or modifying or repealing its constitution or a provision of it) or passes any resolution of shareholders or any class of shareholders;

(n) commences, compromises or settles any litigation or similar proceedings for an amount exceeding $250K;

(o) becomes Insolvent; or

(p) agrees, conditionally or otherwise, to do any of the things referred to in paragraphs (a) to (o) above, or announces or represents to any person that any of those things will be done,

unless the doing of that thing was specifically disclosed in any ASX announcement made by KGD before the Announcement Date.

6. No inaccurate public information

FRS does not become aware, during the period between the Announcement Date and the end of the Offer Period (each inclusive) that:

(a) any announcement made by KGD to ASX;

For personal use only

(b) any document lodged by or on behalf of KGD with ASIC; or

(c) any other public statement made by or on behalf of KGD,

is inaccurate or misleading in any material way, including by omission.

7. No KGD Material Adverse Change

Between the Announcement Date and the end of the Offer Period (each inclusive), no KGD Material Adverse Change occurs.

8. No breach of representation or warranty

Between the Announcement Date and the end of the Offer Period (each inclusive), the warranties in clause 7 are true and correct in all material respects.

For personal use only

SCHEDULE 3 – PRESCRIBED OCCURRENCES

(a) KGD converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act.

(b) KGD or a Subsidiary resolves to reduce its share capital in any way.

(c) KGD or a Subsidiary enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under subsection 257C(1) or 257D(1) of the Corporations Act.

(d) KGD or a Subsidiary issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option other than upon exercise of any existing KGD Options.

(e) KGD or a Subsidiary issues, or agrees to issue, convertible notes.

(f) KGD or a Subsidiary disposes, or agrees to dispose, of the whole or a substantial part of its business or property.

(g) KGD or a Subsidiary grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property.

(h) KGD or a Subsidiary resolves to be wound up.

(i) A liquidator or provisional liquidator of KGD or a Subsidiary is appointed.

(j) A court makes an order for the winding up of KGD or a Subsidiary.

(k) An administrator of KGD or a Subsidiary is appointed under section 436A, 436B or 436C of the Corporations Act.

(l) KGD or a Subsidiary executes a deed of company arrangement.

(m) A receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of KGD or a Subsidiary.

For personal use only

SCHEDULE 4 – FRS PROPOSED ISSUES OF SECURITIES

SECURITIES TO BE ISSUED	SHARES	OPTIONS	PERFORMANCE RIGHTS	RELATED ANNOUNCEMENT	APPENDIX 3B
Shares					
Hyden Acquisition Consideration Tranche 1	20,692,250			https://announcements.asx.com.au/asxpdf/20250811/pdf/06mqpz2cwbw89b.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrcyp44k2rn.pdf
NIC Acquisition Consideration	42,140,398			https://announcements.asx.com.au/asxpdf/20250814/pdf/06mw640647t163.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgr9w6yz8q5z.pdf
Outback Exercised Option	5,500,000			https://announcements.asx.com.au/asxpdf/20250402/pdf/06h87xhv3kw4sz.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrnb4rdwj8v.pdf
Amery Exercised Option	171,569			https://announcements.asx.com.au/asxpdf/20241216/pdf/06cnznrn5tjr8c.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrl74tnhmq0.pdf
Burracoppin Acquisition (Askari) Consideration	2,223,320			https://announcements.asx.com.au/asxpdf/20250912/pdf/06p48rdm91jjm8.pdf	https://announcements.asx.com.au/asxpdf/20250912/pdf/06p48tjncz2269.pdf
Options					
Hyden Acquisition Consideration Tranche 1: EX $0.22 EXPIRING 3 YEARS		10,000,000		https://announcements.asx.com.au/asxpdf/20250811/pdf/06mqpz2cwbw89b.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrcyp44k2rn.pdf
Hyden Acquisition Consideration Tranche 1 EX $0.32 EXPIRING 3 YEARS		5,000,000		https://announcements.asx.com.au/asxpdf/20250811/pdf/06mqpz2cwbw89b.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrcyp44k2rn.pdf

personal use only

DG Appointment Options: EX $0.075 EXPIRING 3 YEARS		20,000,000		https://announcements.asx.com.au/asxpdf/20250516/pdf/06jsnrj6d9b9zv.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrg1pf36cvp.pdf
DG Appointment Options: EX $0.11 EXPIRING 3 YEARS		10,000,000		https://announcements.asx.com.au/asxpdf/20250516/pdf/06jsnrj6d9b9zv.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrg1pf36cvp.pdf
AT Appointment Options: EX $0.15 EXPIRING 3 YEARS		10,000,000		https://announcements.asx.com.au/asxpdf/20250724/pdf/06m3ckdr63tdkv.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrg1pf36cvp.pdf
AT Appointment Options: EX $0.25 EXPIRING 3 YEARS		10,000,000		https://announcements.asx.com.au/asxpdf/20250724/pdf/06m3ckdr63tdkv.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrg1pf36cvp.pdf
AT Appointment Options: EX $0.50 EXPIRING 3 YEARS		10,000,000		https://announcements.asx.com.au/asxpdf/20250724/pdf/06m3ckdr63tdkv.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrg1pf36cvp.pdf
Bell Potter Lead Manager Options: EX $0.41 EXPIRING 3 YEARS		10,000,000		https://announcements.asx.com.au/asxpdf/20250827/pdf/06ndk08qslltn5.pdf	Outstanding
Performance Rights					
Director Performance Rights			45,450,000	https://announcements.asx.com.au/asxpdf/20250801/pdf/06mf6hnsg0txq6.pdf	https://announcements.asx.com.au/asxpdf/20250922/pdf/06pgrj44pqmb9l.pdf
Company Secretary Performance Rights			14,350,000	https://announcements.asx.com.au/asxpdf/20251002/pdf/06q12j318ckwc9.pdf	Outstanding
	70,727,537	**85,000,000**	**59,800,000**		
	487,164,437	**143,428,761**	**59,800,000**		

personal use only

EXECUTED by the parties as a deed.

EXECUTED by	)
FORRESTANIA RESOURCES LIMITED	)
ACN 647 899 698	)
in accordance with section 127 of the *Corporations Act 2001* (Cth):	)



Signature of director



Signature of ~~director~~/company secretary*

David Geraghty

Name of director

Oliver Clark

Name of ~~director~~/company secretary*

*please delete as applicable

EXECUTED by	)
KULA GOLD LTD	)
ACN 126 741 259	)
in accordance with section 127 of the *Corporations Act 2001* (Cth):	)



Signature of director



Signature of ~~director~~/company secretary*

Mark Stowell

Name of director

Keith Bowker

Name of ~~director~~/company secretary*

*please delete as applicable

For personal use only