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Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP26/047

Friday, 24 July 2026

Zenith Minerals Limited – Panel Receives Application

The Panel has received an application from Harvest Lane Asset Management Pty Ltd in relation to the affairs of Zenith Minerals Limited (**Zenith**). Zenith is currently the subject of a recommended off-market takeover bid by Forrestania Resources Limited (**Forrestania**).

Details of the application, as submitted by the applicant, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

Zenith is an Australian gold and lithium exploration and development company listed on ASX (ASX: ZNC).

Forrestania is a Western Australian focused gold exploration and development company listed on ASX (ASX: FRS).

The applicant is a shareholder in Zenith.

On 9 June 2026, Zenith announced a recommended takeover with Forrestania whereby Forrestania would acquire all the issued ordinary shares in Zenith for a scrip consideration of 1 Forrestania share for every 4.3 Zenith shares, valuing Zenith at approximately $79.14 million on an undiluted basis.

The announcement, bidder's statement and target's statement all highlighted an implied offer value of $0.132 per Zenith share based on Forrestania's 10-day Volume Weighted Average Price (**VWAP**) of ~$0.567, representing a premium of 46.7% to Zenith's prior closing price on ASX. On the date the transaction was announced, Forrestania had 1,333,532,240 shares on issue.

Forrestania disclosed an initial interest in Zenith of 9.72%, comprising 6.50% (in aggregate) acquired on 4 and 5 June 2026.

As contemplated by clause 3.1 of the Takeover Implementation Deed (**TID**), each Zenith director made a statement that they intend to accept Forrestania's offer in respect of all shares they own or control, representing approximately 4.51% on an undiluted basis, which was qualified by an *"in the absence of a Superior Proposal"* statement.

Clause 3.2(a)(ii) of the TID allows the Zenith board to change their recommendation and acceptance intention should a 'Forrestania Prescribed Occurrence' occur. A Forrestania Prescribed Occurrence includes Forrestania issuing or agreeing to issue shares (unless announced prior to 8 June 2026).

On 16 June 2026, the day the offer opened, Zenith's managing director, Andrew Smith, accepted the offer.

Between 9 and 29 June 2026, Forrestania increased its interests in Zenith from 9.72% to 21.40%.

On 29 June 2026, Forrestania announced the acquisition of the Edna May Mine from Ramelius Resources Limited for $300 million, comprising cash of $200 million and Forrestania shares of $100 million (later revised to $210 million cash and $90 million scrip). Concurrent with the acquisition, Forrestania announced an equity placement of $310 million via a two-tranche placement at an issue price of $0.40 per share, almost 30% lower than the referenced offer price in the target's and bidder's statements. Forrestania contemporaneously lodged an Appendix 3B proposing to issue 1,025,575,000 shares, an increase of 77% from the time the Zenith transaction was announced.

At the beginning of July 2026, directors, Euan Jenkins and Stan Macdonald, accepted the Forrestania offer.

The applicant submits that the *"timing proximity of the Edna May Mine acquisition, and consequent material dilution, to the release of both Bidder's and Target's Statements, where it was not specifically disclosed or referenced, constitutes information, or materiality, that ought to have been known at the time the Statements were issued. Failure to disclose such information, particularly with reference to the implied value of the Forrestania Offer, which has likely induced acceptances of the offer prior to the announcement of the Edna May transaction, constitutes misleading and deceptive circumstances."*

The applicant also submits that:

- while the directors' recommendation and intention statement is qualified with reference to *"in the absence of a Superior Proposal"*, Messrs Smith, Jenkins and Macdonald have all accepted the Forrestania offer within 10 days of the offer open, which is prior to a reasonable time being allowed for a superior proposal to eventuate contrary to the Panel's Guidance Note 23 and

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- the Zenith directors consented to an early dispatch of offer documents to shareholders also shortening the window where a superior proposal could emerge.

The applicant also queries whether the bidder was in compliance with standstill obligations (referenced in the TID) at the time it acquired a 6.50% pre-bid interest in Zenith. It submits that breaching such standstill arrangements may have conferred an advantage to Forrestania and deterred any potential competing bidder.

The applicant submits that the circumstances constitute a breach of section 602(a) of the Corporations Act for an efficient, competitive, and informed market for control.

The applicant seeks interim orders to prevent Forrestania from processing further acceptances under the offer and declaring the offer unconditional while the application is pending. It also seeks an extension of the offer to a date that is sufficient to allow the Panel to consider the application.

The applicant seeks final orders to the effect that:

- all Zenith director acceptances on or before the date of the application be voided

- any shares acquired by Forrestania between 26 May 2026 and 9 June 2026 be vested in ASIC if those acquisitions are found to have been made in breach of any applicable standstill provision and

- all acceptances received by Forrestania prior to the unacceptable circumstances being remedied are voided, or alternatively, that withdrawal rights are offered to any shareholder who accepted the offer prior to those circumstances being remedied.

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