

SUPPLEMENTARY TARGET'S STATEMENT

1. INTRODUCTION

This document is a supplementary target's statement under section 644 of the *Corporations Act 2001* (Cth) and is dated 14 May 2018. It is the first supplementary target's statement (**Supplementary Target's Statement**) issued by Bullseye Mining Limited ACN 161 615 738 (**Bullseye**) in relation to the off-market takeover bid for all the ordinary shares in the capital of Bullseye, on issue as at 5.00pm (Perth time) on 4 April 2018, by Red 5 Limited ACN 068 647 610 (**Red 5**) through its wholly owned subsidiary Opus Resources Pty Ltd ACN 099 235 533.

This Supplementary Target's Statement supplements, and should be read together with, Bullseye's target's statement dated 27 April 2018 (**Target's Statement**).

Words and phrases defined in the Target's Statement have the same meaning in this Supplementary Target's Statement (unless otherwise defined).

A copy of this Supplementary Target's Statement has been lodged with ASIC. Neither ASIC nor any of its officers takes any responsibility for its contents.

The purpose of this Supplementary Target's Statement is to provide further disclosure in relation to the Target's Statement, namely to:

- (a) provide further information with regards to the shareholder intention statements set out in the Target's Statement;
- (b) give to Bullseye Shareholders details regarding a proposed placement for \$3 million at an issue price of \$0.30 per Bullseye Share, subject to Bullseye Shareholder approval;
- (c) provide details on a working capital loan facility agreement for \$1 million and the proposed capitalisation of that amount at an issue price of \$0.30 per Bullseye Share, subject to Shareholder approval;
- (d) in light of the share placement and capitalisation of working capital loan, provide Bullseye Shareholders with current financial information and a pro-forma showing the effects of the proposed Bullseye Share issues;
- (e) provide further information with regards to the issue of Bullseye Shares between November 2016 to November 2017;
- (f) provide information regarding the transfer of Bullseye Shares within the past 12 months;
- (g) provide the Bullseye Board's view on the status of the Conditions of the Red 5 Offer; and
- (h) clarify certain disclosure in the Target's Statement.

2. SHAREHOLDER INTENTIONS

The Target Statement referred to current intention statements provided by Bullseye Shareholders representing 72.29% of Bullseye, dated between 22 April 2018 and 27 April 2018 to reject the Red 5 Offer.

These statements are expressions of Bullseye Shareholders' current intentions, reserving their rights, and are not binding on the Bullseye Shareholders under the truth in takeovers policy.

The composition of the shareholdings of these Bullseye Shareholders is set out in the below table.

	Name of Bullseye Shareholder	Number of Bullseye Shares	Percentage of Bullseye Shares in the Company	Relationship with Bullseye (if any)
1	Hong Kong Xinhe International Investment Company Ltd	63,807,693	21.74%	

	Name of Bullseye Shareholder	Number of Bullseye Shares	Percentage of Bullseye Shares in the Company	Relationship with Bullseye (if any)
2	Dariena Mullan	2,210,000	0.75%	Director
3	Desmond Mullan	13,347,900	4.54%	
4	Peter J Burns and Yvonne Burns and Beachton Holdings Pty Ltd and Peter Joseph Burns	10,010,000	3.41%	Director
5	Doowli Enterprises Pty Ltd and PG and DV Pty Ltd	5,720,131	1.94%	Director
6	Fountain Enterprise International Company Limited	15,216,817	5.18%	
7	Wu Qiyuan	11,560,000	3.94%	Director
8	Double Seven Limited and Lian Hock Teo Han Yong Teo Stanley Teo	10,914,496	3.72%	
9	Wildhorse Investments Pty Ltd and Wildhorse Super Pty Ltd and Geoff and Lorrie Bell Cribb	9,816,666	3.34%	
10	Christopher Andrew Cygulis and Jessica Ann Cygulis and Jullan Pty Ltd	8,000,000	2.73%	
11	John Oakley Clinton	7,835,333	2.67%	
12	Fort Trustees Limited	7,588,889	2.59%	
13	William A. Nesbitt	6,031,250	2.05%	
14	Xuefeng Ma	6,000,000	2.04%	
15	Chik Fatt Chan	5,120,000	1.74%	
16	Finetide Holdings Pty Ltd	4,750,000	1.62%	
17	Greenridge Holdings Pty Ltd	4,533,278	1.54%	
18	Read and Digest Pty Ltd	4,317,834	1.47%	
19	R-East International Limited	4,000,000	1.36%	
20	Ping Zhou	4,000,000	1.36%	
21	Goldsborough Mining Investments Pty Ltd	3,534,445	1.20%	
22	Vetin Pty Ltd and Ombulgarri Nominees Pty Ltd	2,900,000	0.99%	
23	Cong Bo	1,000,000	0.34%	
	TOTAL	212,214,732	72.29%	

Each of the Bullseye Shareholders named above, has consented to being named and included in this Supplementary Target's Statement.

At the time of this Supplementary Target's Statement, the Company is not aware that any of the Bullseye Shareholders have changed their intentions nor have any of the Bullseye Shareholders withdrawn their consent to be named in the form and context in which they are named.

3. CAPITAL RAISING UPDATE

The Board of Directors of Bullseye had until recently been in discussions with various parties regarding a potential capital raising by the Company for the purposes of advancing its Bullseye Assets, potential development capital and also providing working capital.

These discussions commenced in May 2017 and were ongoing until the initial approach by Red 5 Offer in December 2017. The discussions were centred around the potential for accelerated exploration and development options for Bullseye in light of the present strong gold environment.

The notification of the Red 5 bid caused these ongoing discussions to be placed on hold pending response to the Red 5 Offer.

In light of the ongoing discussions with potential investors, the Company utilised a working capital facility provided by Mr. Desmond Mullan, an existing Shareholder in the Company. This facility was undocumented but was formalised on 10 May 2018 (with further details provided below). The Bullseye Directors were of the view that under the intended capital raising, monies advanced under this facility would either be repaid or capitalised as part of the fund raising.

Given the reaction of the Bullseye Shareholders to the Red 5 Offer, with some 72.29% of Bullseye Shareholders indicating an intention not to accept that offer, the Bullseye Directors elected to recommence discussions with the interested parties. These negotiations are ongoing and further details and information will be provided to Bullseye shareholders as and when available.

Until finalisation of the above discussions, to provide ongoing working capital to the Company and to cover the risk that such negotiations may take longer, or, not lead to an outcome the Bullseye Directors consider in the interests of Bullseye and its Shareholders, Bullseye has entered into the following two agreements with Mr. Desmond Mullan:

- (a) a working capital facility agreement dated 10 May 2018 (**Working Capital Agreement**) to formalise the above working capital facility agreement. Under the terms of the Working Capital Agreement, Mr. Mullan has agreed to advance up to \$1 million to the Company (of which approximately \$745,000 has previously been advanced) for working capital purposes. Subject to Bullseye Shareholder approval, the monies advanced may at Mr Mullan's election, be converted to Bullseye Shares at an issue price of \$0.30 per Bullseye Share. A summary of the Working Capital Agreement is set out in Annexure 1 to this document; and
- (b) a share subscription agreement dated 10 May 2018 (**Share Subscription Agreement**) whereby Mr. Mullan has agreed to subscribe for \$3 million of Bullseye Shares at an issue price of \$0.30 per Bullseye Share. The issue of shares is subject to Bullseye Shareholder approval. A summary of the Share Subscription Agreement is set out in Annexure 2 to this document.

Both the capitalisation of the Working Capital Agreement and the issue of Bullseye Shares under the Share Subscription Agreement are subject to Bullseye Shareholder approval to allow Bullseye Shareholders to consider the proposed Bullseye Share issues in light of the Red 5 Offer. It is anticipated that a notice of meeting and explanatory statement will be dispatched to Bullseye Shareholders in the near future. Such explanatory statement will include disclosure on the implications of approving the Bullseye Share issue under the Red 5 bid, including that the issue of Bullseye Shares would constitute a breach of a Condition of the Red 5 Offer (see section 6 below for further details in this regard).

Mr. Mullan currently holds 13,347,900 Bullseye Shares representing 4.54% of the Company. Mr Mullan is related to Dariena Mullan, a Bullseye Director.

The Bullseye Directors consider that the Working Capital Agreement and the Share Subscription Agreement to be in the best interests of Bullseye Shareholders as the agreements:

- provide access to ongoing working capital pending the proposed Bullseye Shareholder vote;

- allow the Company's existing working capital debt to be capitalised and to have access to working capital sufficient for approximately the next 12 months;
- result in the issue of Bullseye Shares at a price of \$0.30 per Bullseye Share compared to the Red 5 Offer which only values those Bullseye Shares at approximately \$0.013 (**1.3 cents**) per Bullseye Share; and
- represents minimal dilution to existing Bullseye Shareholders as the Bullseye Shares to be issued represent only 4.34% of Bullseye on an expanded capital basis (and ignoring the exercise of any options).

4. PROPOSED USE OF FUNDS

Further Exploration and Development Works

The Working Capital Agreement (\$1 million) and Share Subscription Agreement (\$3 million) provides Bullseye sufficient working capital to carry out exploration to meet its tenure obligations and commitments for approximately the next 12 months (on the assumption the Working Capital Agreement is converted in full).

Accelerated Exploration and Development Option

As per the systematic exploration and development strategy for the North Laverton Gold Project outlined in the Target's Statement, and in light of the strong current gold environment, the Bullseye Board is contemplating accelerated exploration and development options as:

- extensional life-of-mine (LOM) drilling at North Laverton \$10-\$20 million;
- on-site plant licensing, final design and contribution towards construction costs \$6-\$14 million; and
- development of other Bullseye Assets \$4-\$6 million.

The accelerated exploration and development option will only be pursued if sufficient funds are obtained from discussions with interested parties (as discussed above) on terms acceptable to Bullseye.

5. CURRENT FINANCIAL INFORMATION

Set out below is the consolidated unaudited statement of financial position and the unaudited statement of profit and loss and other comprehensive income for the period to 31 March 2018. Also included is a pro forma consolidated unaudited statement of financial position showing the impact of completion occurring under the Working Capital Agreement and the Share Subscription Agreement. Completion is subject to Bullseye Shareholder approval being obtained.

BULLSEYE MINING LIMITED (ACN 118 341 736)
CONSOLIDATED UNAUDITED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 31 MARCH 2018

	Pro-forma 31 March 2018 \$	Unaudited 31 March 2018 \$
CURRENT ASSETS		
Cash and cash equivalents	3,887,597	632,724
Trade and other receivables	176,588	176,588
Other current assets	14,586	14,856
TOTAL CURRENT ASSETS	<u>4,079,041</u>	<u>824,168</u>
NON-CURRENT ASSETS		
Property, plant and equipment	481,045	481,045
Exploration and evaluation assets	16,218,932	16,218,932
TOTAL NON-CURRENT ASSETS	<u>16,699,977</u>	<u>16,699,977</u>
TOTAL ASSETS	<u>20,779,018</u>	<u>17,524,145</u>
CURRENT LIABILITIES		
Trade and other payables	482,642	482,642
Borrowings	16,637	16,637
Provisions	206,610	206,610
Other current liabilities	-	-
TOTAL CURRENT LIABILITIES	<u>705,889</u>	<u>705,889</u>
NON-CURRENT LIABILITIES		
Borrowings	46,132	791,259
TOTAL NON-CURRENT LIABILITIES	<u>46,132</u>	<u>791,259</u>
TOTAL LIABILITIES	<u>752,021</u>	<u>1,497,148</u>
NET ASSETS	<u>20,026,997</u>	<u>16,026,997</u>
EQUITY		
Issued capital	34,646,763	30,646,763
Reserves	3,344,511	3,344,511
(Accumulated losses)	(17,964,277)	(17,964,277)
TOTAL EQUITY	<u>20,026,997</u>	<u>16,026,997</u>

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

The unaudited pro forma 31 March 2018 values reflect the inclusion of the following transactions:

- Cash and cash equivalents includes \$3,000,000 for Bullseye Shares to be issued in accordance with the Share Subscription Agreement and the remaining undrawn amount under the Work Capital Agreement (being \$254, 873).
- Issued capital includes \$3,000,000 from the consideration under the Share Subscription Agreement and \$1,000,000 from the conversion by Mr. Mullan of the \$1,000,000 under the Working Capital Agreement, with Bullseye Shares from both agreements issued at \$0.30 per Bullseye Share.
- The Consolidated Statement of Financial Position is not audited nor reviewed.

BULLSEYE MINING LIMITED (ACN 118 341 736)
UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2018

	Unaudited Management Accounts 31 March 2018 \$	30 June 2017 \$
Revenue from continuing operations	12,415	52,347
Accountancy expenses	(88,794)	(43,829)
Auditors remuneration	(2,486)	-
Consultant fees	(735,713)	(553,652)
Depreciation and amortisation expenses	-	(76,973)
Employee benefits expenses	(730,539)	(1,357,129)
Impairment of exploration and evaluation expenses	-	(557,504)
Other expenses	(291,998)	(457,526)
(Loss) before income tax	(1,837,114)	(2,994,266)
Income tax expense	-	-
(Loss) for the year	(1,837,114)	(2,994,266)
Other comprehensive income	-	-
Total comprehensive (loss) for the year	(1,837,114)	(2,994,266)
Attributable to the owners of Bullseye		

The above Statement of Profit or Loss and other Comprehensive Income should be read in conjunction with the accompanying note.

The Statement of Profit or Loss and other Comprehensive Income is not audited nor reviewed.

6. SHARE ISSUES BETWEEN NOVEMBER 2016 TO NOVEMBER 2017

In the Target's Statement, a reason to reject the Red 5 Offer (being a substantially inadequate offer) was premised on a Bullseye Share valuation based on Bullseye's most recent share placements to independent third party investors between November 2016 and November 2017.

The Target's Statement disclosed, on page 4, that aggregate funds of \$1,795,000 was raised under several share placements at an issue price of \$0.30 per Bullseye Share.

The amount raised at \$0.30 per Bullseye Share during this period was \$1,745,000 (as opposed to \$1,795,000). The remaining amount (\$50,000) was issued at \$0.28 per Bullseye Share (as opposed to \$0.30 per Bullseye Share).

The following table sets out the share placement agreements entered between November 2016 and November 2017.

Placement Date	Issue price	Placement Amount	Number of Bullseye Shares
24/11/2016	\$0.30	\$1,000,000	3,333,333
24/11/2016	\$0.30	\$70,000	233,333
14/03/2017	\$0.30	\$30,000	100,000
14/03/2017	\$0.30	\$150,000	500,000

Placement Date	Issue price	Placement Amount	Number of Bullseye Shares
26/05/2017	\$0.30	\$200,000	666,667
24/07/2017	\$0.30	\$125,000	416,667
24/07/2017	\$0.30	\$120,000	400,000
08/08/2017	\$0.30	\$50,000	166,667
08/11/2017	\$0.28	\$50,000	178,571

An additional issue of Bullseye Shares was made on 1st December 2016 of 1,750,000 Bullseye Shares at an issue price of \$0.20 per Bullseye Share, relating to fees for services to that point in time. On the assumption that this additional Bullseye Share issue is included along with the outlined placements, the average issue price of Bullseye Shares for agreements entered into during the period November 2016 to November 2017 is approximately \$0.277 (**27.7 cents**) per Bullseye Share.

During the period between November 2016 and November 2017, a number of issues of Bullseye Shares occurred that related to agreements that were entered into **prior to** November 2016:

Original Agreement Date	Issue price	Issue Date/Completion Date	Placement Amount	Number of Bullseye Shares
17/2/2015	\$0.145	28/1/17	\$2,130,354	15,216,817
6/03/2015	\$0.145	14/2/17	\$716,116	5,115,117
1/07/16	\$0.20	16/06/17	\$2,000,000	10,000,000

7. LIQUIDITY OF BULLSEYE SHARES

Details with respect to recorded transfers of Bullseye Shares since 8 June 2017 are set out below:

Transfer Date	Transfer price	Consideration	Number of Bullseye Shares
08/06/2017	\$0.30	\$24,990.90	83,333
12/06/2017	\$0.30	\$39,990.90	133,333
06/07/2017	\$0.275	\$49,999.95	181,818
24/07/2017	\$0.30	\$5,000.10	16,667
24/07/2017	\$0.30	\$5,000.10	16,667
01/09/2017	\$0.27	\$45,000.09	166,667
10/09/2017	\$0.20	\$10,000	50,000
14/09/2017	\$0.25	\$12,500	50,000
23/04/2017	\$0.30	\$9,999.90	33,333
12/11/2017	\$0.30	\$99,999.90	333,333
16/11/2017	\$0.295	\$250,000	848,485
20/12/2017	\$0.30	\$18,000	60,000
20/12/2017	\$0.30	\$30,000	100,000
21/12/2017	\$0.30	\$15,000	50,000
21/1/2017	\$0.30	\$15,000	50,000
21/12/2017	\$0.30	\$9,000	30,000
26/02/2018	\$0.18	\$27,000	150,000

Transfer Date	Transfer price	Consideration	Number of Bullseye Shares
26/02/2018	\$0.30	\$375,000	1,250,000
07/03/2018	\$0.30	\$30,000	100,000

Bullseye notes that the calculated weighted average price of the period is \$0.289 (**28.9 cents**) per Bullseye Share. This is substantially more than what the Red 5 Offer currently values Bullseye Shares (being \$0.013 (**1.3 cents**) per Bullseye Share).

8. THE RED 5 OFFER IS SUBJECT TO A NUMBER OF CONDITIONS WHICH HAVE ALREADY BEEN OR WILL BE BREACHED

The Red 5 Offer is subject to a number of Conditions, which are set out in Section 9.2 of the Bidder's Statement and Annexure A of the Target's Statement.

In light of the disclosure above with regards to the capital raising update and other circumstances, the Board is of the opinion that a number of these Conditions have already been or will be breached. These include:

- (a) section 9.2(e) of the Bidder's Statement, which states that the Bidder must have at least 90% (by number) of all Bullseye Shares on issue. Currently, 72.29% of the Bullseye Shareholders intend to reject the offer;
- (b) section 9.2(e)(4) of the Bidder's Statement, which states that there is no event which occurs that results in Bullseye entering into a material agreement where the consideration is in excess of \$400,000 for any individual item. The formalisation of the Working Capital Agreement may trigger this Condition; and
- (c) section 9.2(k) (Prescribed Occurrence): As noted in the Target's Statement, Bullseye has issued 8,000,000 Bullseye Shares on 26 April 2018 in connection with the automatic vesting of Performance Rights held by the Directors as a result of the Red 5 Offer, which is a Prescribed Occurrence under the Bidder's Statement. In addition, the issue of Bullseye Shares (subject to Bullseye Shareholder approval) under the Working Capital Agreement and Share Subscription Agreement would constitute further breaches of this Condition.

Red 5 has yet to provide any response or update as to how it will respond to a breach of the above Conditions.

9. CLARIFICATIONS

- (a) Bullseye notes the representation by Red 5 in section 9.11 of the Bidder's Statement that Shareholders resident in the jurisdictions listed on page 64 of the Bidder's Statement may receive Red 5 Shares offered under the Bid. Accordingly Red 5 represents that only overseas Bullseye Shareholders who are not located in these jurisdictions will be subject to the sale facility as described in section 9.11 of the Bidder's Statement.
- (b) The Mineral Resource Statements for the North Laverton Gold Project, referred to as being made by Quantitative Geoscience Australia Pty Ltd (**QG**) in Section 4.2 of the Target's Statement at pages 20 to 23, should be attributed to the persons who made those statements and not QG itself. Mr. Mike Jobs (who at the time of the report was an employee of QG), in conjunction with Miss Dariena Mullan, is responsible for the Boundary Mineral Resource Statement in Table 1 and Mr. Tim Journeaux (who at the time was a consultant for QG), in conjunction with Miss Dariena Mullan, is responsible for the Bungarra and Stirling Resource Statements in Tables 2 and 3. Mr. Jobs, Mr. Journeaux and Miss Mullan have given their consent and have not, before the date of this Supplementary Target's Statement, withdrawn their consent.
- (c) With regards to Section 10.1(b) of the Target's Statement, the existing paragraph is removed and replaced with the following: "Each of the Bullseye Directors acquired a relevant interest in 2,000,000 Bullseye Shares (in aggregate 8,000,000 Bullseye Shares) within the 4 month period ending on the date immediately before the date of the Target's Statement. These

Bullseye Shares were issued on the vesting and exercise of Bullseye Performance Rights as a result of the Red 5 Offer, as set out in Section 11.1 of the Target's Statement."

10. CONSENTS

As permitted by ASIC Class Order 13/521, this Supplementary Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX. Pursuant to this Class Order, the consent of persons to whom such statement are attributed is not required for the inclusion of those statements in this Supplementary Target's Statement.

Any Bullseye Shareholder who would like to receive a copy of any of the documents (or parts of the documents) that contain the statements which have been included pursuant to ASIC Class Order 13/521 may, during the Offer Period, obtain a copy free of charge (within 2 Business Days of the request) by contacting Bullseye.

APPROVAL OF SUPPLEMENTARY TARGET'S STATEMENT

This Supplementary Target's Statement has been approved by a unanimous resolution of the directors of Bullseye.

Signed for and on behalf of
Bullseye Mining Limited



Peter Joseph Burns FCMI (London)
Chairman
Bullseye Mining Limited

ANNEXURE 1
SUMMARY OF THE WORKING CAPITAL AGREEMENT

The Working Capital Agreement, between the Company and Mr. Desmond Mullan was entered into on 10 May 2018, on the following material terms and conditions.

- (a) **(Facility Amount):** a loan facility for \$1,000,000 of which approximately \$745,000 has been provided to date.
- (b) **(Security):** a direct, unsecured and unconditional loan which ranks pari passu with the other unsecured obligations of the Company.
- (c) **(Availability Period):** the loan facility is available for draw down for 12 months from the date of the Working Capital Agreement.
- (d) **(Maturity Date):** 1 July 2019 or such other date agreed by the parties.
- (e) **(Interest):** an interest rate of 8% per annum which accrues daily.
- (f) **(Conversion):** Company grants an option to Mr. Mullan to convert all or part of the outstanding sum owed under the facility into Bullseye Shares in satisfaction of that sum, provided that the Company obtains any and all necessary regulatory approvals (including Shareholder approval) to issue those Bullseye Shares (**Conversion Shares**).

The conversion formula is calculated by dividing the relevant portion of the outstanding sum to be converted by the conversion price which is determined by the Company at the next capital raising which is anticipated to be at \$0.30 per Bullseye Share under the Share Subscription Agreement.

Conversion Shares will rank equally in all respects with the existing Bullseye Shares.

- (g) **(Termination Rights):** The Working Capital Agreement includes events of default and termination rights which are typical for agreements of this nature, such as failure to pay amounts owing within 2 business days of the due date, failure to perform an obligation under the Working Capital Agreement where that failure cannot be remedied or an application being made to wind up the Company and insolvency of the Company. In addition, there will be an event of default where the Company commences any substantive business activity not related to mineral exploration, mining and recovery (without Mr. Mullan's consent).

ANNEXURE 2

SUMMARY OF THE SHARE SUBSCRIPTION AGREEMENT

The Share Subscription Agreement, between the Company and Mr. Desmond Mullan was entered into on 10 May 2018, on the following key terms and conditions.

- (a) **(Subscription Amount):** \$3,000,000.
- (b) **(Subscription Price):** \$0.30 per Bullseye Share.
- (c) **(Conditions Precedent):** Completion of the Share Subscription Agreement is conditional on:
 - (i) the members of Bullseye in general meeting have approved the issue of Bullseye Shares to Mr. Mullan; and
 - (ii) no change of control event occurs between the date of the Share Subscription Agreement and immediately prior to completion occurring.
- (d) **(Change of Control):** occurs when
 - (i) an offer is made by an offeror with a voting power of less than 50% in the Company for Bullseye Shares pursuant to a takeover bid under Chapter 6 of the Corporations Act which:
 - (A) is, or is declared, unconditional; and
 - (B) upon completion of that offer, the offeror would obtain a voting power of more than 50% in the Company;
 - (ii) a Court approves under Section 411(4)(b) of the Corporations Act, a proposed compromise or arrangement for the purposes of or in connection with a scheme for the reconstruction of the Company or its amalgamation with any other company or companies;
 - (iii) any person becomes bound or entitled to acquire shares in the Company under:
 - (A) section 414 of the Corporations Act (compulsory acquisition following a scheme or contract); or
 - (B) Chapter 6A of the Corporations Act (compulsory acquisition of securities);
 - (iv) a selective capital reduction is approved by shareholders of the Company pursuant to section 256C(2) of the Corporations Act which results in a person who previously had voting power of less than 50% in the Company obtaining voting power of more than 50%; or
 - (v) in any other case, a person obtains voting power in the Company which the Board (which for the avoidance of doubt will comprise those directors holding office immediately prior to the person acquiring that voting power) determines, acting in good faith and in accordance with their fiduciary duties, is sufficient to control the composition of the Board.
- (e) **(Cut Off Date):** the date that is 3 months after the date of the Share Subscription Agreement.
- (f) **(Completion):** occurs on the date that is 10 business days after shareholder approval has been satisfied.
- (g) **(Termination by Mr. Mullan):** Mr. Mullan may terminate the Share Subscription Agreement any time before Completion by notice in writing if:
 - (i) an order is made or an effective resolution is passed for winding up or dissolution without winding up of the Company;
 - (ii) a receiver, receiver and manager, judicial manager, liquidator, administrator or like official is appointed over the whole or a substantial part of the undertaking or property of the Company;

- (iii) a holder of an encumbrance takes possession of the whole or a substantial part of the undertaking or property of the Company; or
- (iv) a change of control event of the Company occurs other than with Mr. Mullan's written consent.