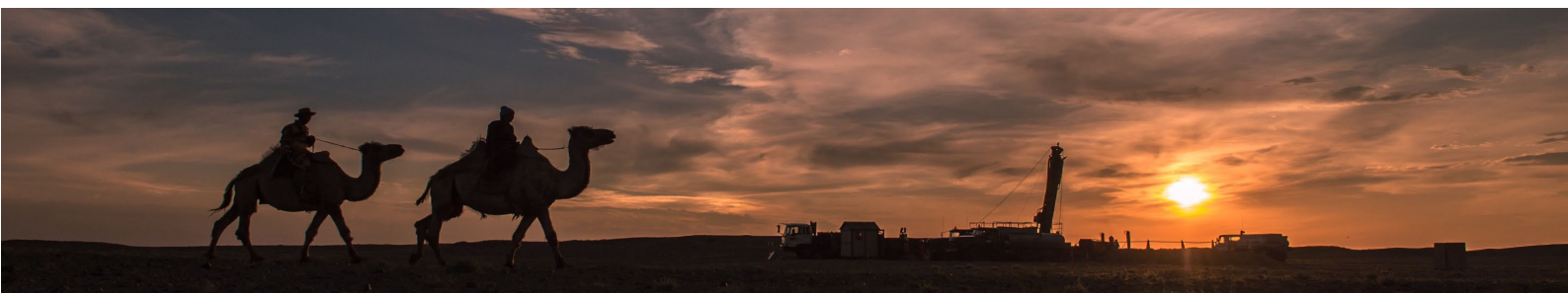


XANADU MINES



Dispatch of Target's Statement

30 May 2025

Xanadu Mines Ltd (**ASX:XAM, TSX:XAM**) ACN 114 249 026 (**Xanadu** or the **Company**) is pleased to announce that it has today completed the dispatch of its Target's Statement dated 27 May 2025 (**Target's Statement**) which contains a response to the off-market takeover offer by Bastion Mining Pte. Ltd. UEN 202512367N (**Bastion**) to acquire all the fully paid, ordinary shares in Xanadu (**Offer**). The dispatch of the Target's Statement has been undertaken in conjunction with the dispatch today of the Bidder's Statement prepared by Bastion dated 27 May 2025.

The Takeover Board Committee of Xanadu (**Takeover Board Committee**)¹ unanimously recommend that Xanadu Shareholders **ACCEPT** the Offer, in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable.

The Offer is scheduled to close at 7.00pm (AEST) on 1 July 2025, unless extended or withdrawn.

The Target's Statement is available electronically for viewing and downloading at:

- Xanadu's website: www.xanadumines.com
- ASX website: www.asx.com.au

In accordance with section 110D of the *Corporations Act 2001* (Cth), dispatch of the Bidder's Statement and Target's Statement has occurred in the following manner:

- Xanadu shareholders who have provided Xanadu with an electronic address for the purposes of receiving electronic copies of shareholder communications have been sent an email to their electronic address providing a link to an electronic copy of the Target's Statement; and
- Xanadu shareholders who have not provided Xanadu with an electronic address for the purposes of receiving electronic copies of shareholder communications have been sent a letter to their registered postal address providing a link to an electronic copy of the Target's Statement.

A copy of the letter to Xanadu shareholders is enclosed with this announcement.

¹ The Takeover Board Committee comprises all Xanadu Directors as at the date of this announcement other than Ganbayar Lkhagvasuren and Zijin's representative, Shaoyang Shen.

Xanadu shareholders are strongly encouraged to read:

- the Bidder's Statement that was issued on 27 May 2025; and
- the Target's Statement that was issued on 27 May 2025 (including the Independent Expert's Report in respect of the Offer),

in their entirety before deciding on how to deal with your Xanadu shares.

About Xanadu Mines

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project together with our 50-50 JV partner Zijin Mining Group.

For further information on Xanadu, please visit: www.xanadumines.com or contact:

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Executive Chairman & Managing Director

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Spencer Cole

Chief Financial & Development Officer

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This Announcement was authorised for release by Xanadu's Takeover Board Committee.

Forward-Looking Statements

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this Announcement or to reflect the occurrence of unanticipated events, other than required by the *Corporations Act 2001* (Cth) and the Listing Rules of the Australian Securities Exchange (**ASX**) and Toronto Stock Exchange (**TSX**). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All 'forward-looking statements' made in this Announcement are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein.

For further information please visit the Xanadu Mines' Website at **www.xanadumines.com**.

28 May 2025

Bidder's Statement and Target's Statement – Off-market takeover for Xanadu Mines Limited

We refer to the off-market bid by Bastion Mining Pte Ltd UEN 202512367N (**Bastion**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) to acquire all of the ordinary shares in Xanadu Mines Limited ACN 114 249 026 (ASX:XAM, TSX:XAM) (**Xanadu**) (the **Offer**).

Subject to the terms of the Offer, Xanadu shareholders will receive A\$0.08 cash for each ordinary share in Xanadu held by Xanadu shareholders as at 5:00pm (AEST) on 27 May 2025.

The Offer will open on 28 May 2025 and is scheduled to close at 7:00pm (AEST) on 1 July 2025, unless extended or withdrawn.

BIDDER'S STATEMENT AND TARGET'S STATEMENT

In accordance with section 110D of the Corporations Act, the purpose of this communication is to provide instructions as to how you can access the bidder's statement lodged by Bastion (**Bidder's Statement**), and the target's statement lodged by Xanadu (**Target's Statement**), in each case, with the Australian Securities and Investments Commission 26 May 2025, in connection with the Offer.

The Bidder's Statement is being provided to you pursuant to item 6 of section 633(1) of the Corporations Act and sets out details of the Offer, including its terms and the benefits you will receive from accepting the Offer.

The Target's Statement is being provided to you pursuant to item 12 of section 633(1) of the Corporations Act and contains an independent expert's report opining on the Offer.

We urge you to read all of the Bidder's Statement and Target's Statement carefully, and then to **ACCEPT** the Offer as soon as possible in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable.

HOW TO ACCESS THE BIDDER'S STATEMENT AND TARGET'S STATEMENT	
Online	Paper
The Bidder's Statement can be accessed via www.xamoffer.com.au	You may request a physical copy of the Bidder's Statement and a personalised Acceptance Form be posted to you by contacting the Bidder's share registry in respect of the Offer on 1300 116 256 (from within Australia) or +613 9415 4036 (from outside Australia). You may request a physical copy of the Target's Statement be posted to you by contacting the Target's share registry in respect of the Offer on 1300 850 505 (from within Australia) or +61 3 9415 4000 (from outside Australia)
The Target's Statement can be accessed on Xanadu's website www.xanadumines.com	

To **ACCEPT** the Offer, you should follow the instructions set out in section 8.3 of the Bidder's Statement and on the accompanying Acceptance Form. You are also able to accept the Offer online at www.xamoffer.com.au by following the instructions.

If you have any queries in relation to the Offer, please contact either the:

- Bastion's Offer Information Line on 1300 116 263 (within Australia) or +61 3 9415 4283 (outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday; or
- Xanadu's Offer Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia between 8.30am and 5.00pm (Sydney time), Monday to Friday

Yours sincerely



Tan Ling Kwok, Philip
Bastion Mining Pte Ltd



Colin Moorhead
Xanadu Mines Limited