

7 DECEMBER 2021

**RECOMMENDED TAKEOVER OFFER OF BULLSEYE MINING LIMITED
BY EMERALD RESOURCES NL**

HIGHLIGHTS:

- **Emerald to acquire Bullseye via an off-market Bullseye board recommended takeover Offer;**
- **Bullseye's extensive landholding totals in excess of 1,200km² of highly prospective licences across 3 gold projects;**
- **Bullseye's flagship North Laverton Gold Project (NLGP) covers 800km² tenure and captures the entire Dingo Range Greenstone Belt - one of the few under explored greenstone belts remaining in Western Australia;**
- **In 2015 Bullseye calculated a JORC 2012 compliant Indicated and Inferred Mineral Resource Estimate of 276,000oz at 2.51g/t Au to an average depth of ~120m (Maiden Resource);¹**
- **Since estimation of the Maiden Resource, Bullseye has completed 35,000m of RC drilling (to an average depth of 120 metres);**
- **The inclusion of results from the completed 35,000m of drilling and extensional drilling planned for the 2022 calendar year has the potential to significantly increase the Maiden Resource;**
- **Emerald has the financial capacity, operational and exploration expertise to maximise the potential of Bullseye's attractive portfolio of gold projects;**
- **Emerald has acquired a pre-bid equity stake of 19.45% of Bullseye;**
- **Emerald and Bullseye have entered into a Bid Implementation Agreement in which Bullseye's Directors unanimously recommend that Bullseye shareholders accept the Offer, in the absence of a superior proposal; and**
- **The Offer is subject to a 90% minimum acceptance condition by Bullseye shareholders.**

Emerald Resources NL (ASX: EMR) (**Emerald**) is pleased to announce the signing of a Takeover Bid Implementation Agreement (**Implementation Agreement**) with Bullseye Mining Limited (**Bullseye**), an Australian unlisted public company. Under the Implementation Agreement, it is proposed that Emerald will acquire all of the issued shares of Bullseye in a share based transaction by way of a Bullseye Board recommended off-market takeover offer (**Offer**). The Implementation Agreement is attached as an annexure to this announcement.

Under the Offer, Bullseye shareholders will receive 1 new Emerald share for every 3.43 Bullseye shares held. The Offer values Bullseye at approximately \$117 million or A\$0.30 per share (on a non-diluted basis) (enterprise value circa \$105 million) based on Emerald's 30-day VWAP of \$1.03² as at 26 November 2021.

¹ As reported by Bullseye on its website and ASX announcement on 30 April 2018.

² Based on Emerald Shares traded on the ASX for the 30 calendar days from 27 October 2021 to 26 November 2021.

The Offer is unanimously recommended by the Directors of Bullseye, who have also agreed to accept the Offer in respect of all shares they control, in each case, in the absence of a superior offer.

Emerald Chairman, Simon Lee AO, said:

"The Bullseye Mining acquisition aligns with our strategy of becoming a multi-gold project Company. The combination will create a gold exploration and production company with a diversified asset base, strong balance sheet, solid and recurring revenue, with significant cost savings and operational synergies.

"The Bullseye mining team have done a highly commendable job in consolidating the entire Dingo Range greenstone belt and identifying and developing resources. We see the strong probability of expanding these resources through the inclusion of results from the completed 35,000m of drilling and infill and extensional drilling campaign planned for 2022 as a step in the Company's aims to define, build and operate a second gold mine in the coming years.

"Our highly credible development and geological team are looking forward to the opportunity to collaborate with Bullseye's exploration team to maximise the possibilities of this significant gold asset."

Bullseye Chairman, Peter J Burns, said:

"On behalf of the Board of Bullseye, we are delighted to present Bullseye shareholders with this exciting and compelling proposal. The Emerald team has a long and impressive, demonstrated history of large-scale mine development across numerous jurisdictions, including Western Australia, along with a strong proven track record of delivering significant value for shareholders over many years.

"This transaction brings many benefits to Bullseye shareholders, including significantly de-risking project financing and project development/implementation risks by providing exposure to Emerald's highly experienced and proven operational team. The proposed Offer provides Bullseye shareholders with an attractive value proposition, including exposure to Emerald's strong cash producing Okvau Gold mine and also provides Bullseye shareholders with liquidity to their investment via the ASX.

"The Board of Bullseye unanimously recommended this compelling Offer and encourage all Bullseye shareholders to accept the Offer in the absence of a superior proposal."

Strategic Rationale for the Transaction

Emerald's strategy is to become a multi-gold project producing company. The transaction with Bullseye (assuming completion) creates an expanded gold exploration, development and production company, with a diversified portfolio of highly prospective gold project areas and provides an attractive investment proposition for existing and new shareholders.

Key benefits of the transaction include:

- the creation of an enlarged gold exploration, development and production company with an established, attractive and complementary portfolio of gold assets at various stages of project maturity;

- enhanced strategic, commercial, technical and financial strength to optimise exploration funding, including an increased level of liquidity and exposure to a larger global investor base giving greater funding flexibility;
- a portfolio of highly prospective tenure in excess of 2,500km² across the combined group;
- the ability to optimise exploration and development activity across the combined group's highly prospective gold portfolio, with potential synergies associated with future project development and infrastructure requirements; and
- Emerald will seek to develop Bullseye's highly prospective tenure to create an Australian gold producing asset which will allow the payment of franked dividends.

Transaction Details

The Offer will be implemented by way of an off-market takeover offer under the Australian Corporations Act.

The Offer extends to any Bullseye shares that are issued as a result of the conversion of convertible notes and convertible loans during the Offer period.

Following successful implementation of the Offer, Bullseye is expected to become a wholly-owned subsidiary of Emerald, with current Emerald and Bullseye shareholders holding approximately 82% and 18% (non-diluted basis) respectively and approximately 80% and 20% (diluted basis) respectively of the enlarged Emerald capital structure.

Pre-bid Acquisition

Contemporaneously with and as part of the bid, Emerald has acquired 19.45% of the current Bullseye shares on issue from existing Bullseye shareholders on the same terms as under the Offer.

Timetable and Conditions

The Offer is subject to a number of conditions including:

- a 90% minimum acceptance condition;
- no Bullseye Material Adverse Change (as defined in the Implementation Agreement) occurring in relation to Bullseye; and
- no Bullseye Prescribed Occurrence (as defined in the Implementation Agreement) occurring in relation to Bullseye.

Emerald and Bullseye have agreed to a deal protection regime including no shop and no talk rights, a right to match any superior offer and payment of an agreed break fee of \$500,000 to either party in certain circumstances.

Further details about the Offer, the conditions to the Offer and proposed timetable are set out in the Implementation Agreement, which is attached as an annexure to this announcement.

It is expected that Emerald's Bidder's Statement, containing further information about the Offer, will be available on Emerald's website at www.emeraldresources.com.au and posted to Bullseye shareholders in the coming week.

About Bullseye

Bullseye was incorporated as a public unlisted company in Western Australia in 2006. Bullseye is a gold exploration and production company with a significant portfolio of gold assets in Western Australia. Bullseye owns three Western Australian gold projects, totalling in excess of 1,200km² of highly prospective gold tenure.

Bullseye's most advanced project, the North Laverton Gold Project, which covers in excess of 800km² of tenure and captures the entire Dingo Range greenstone belt, is located in Western Australia within one of the world's richest and most established gold regions. In excess of 100 million ounces of gold has been produced or discovered in the areas surrounding the project.

Figure 1 | Bullseye Project Locations

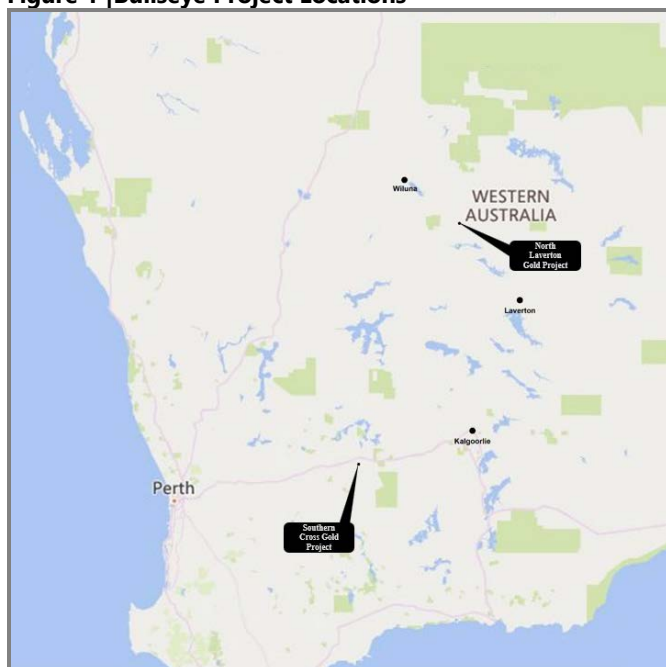
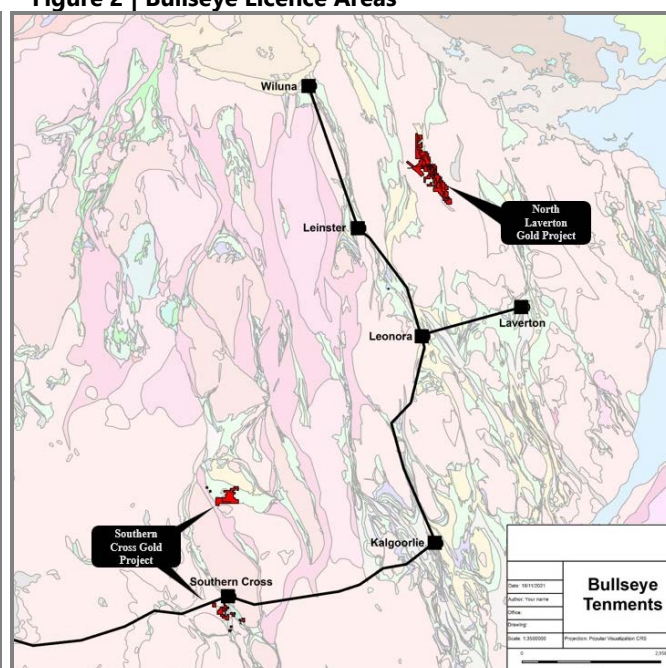


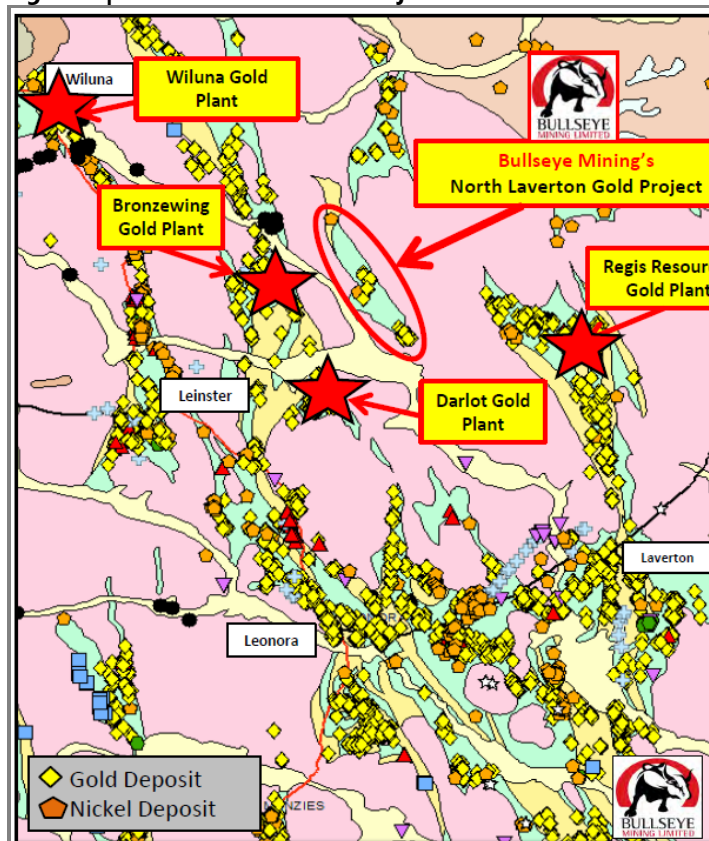
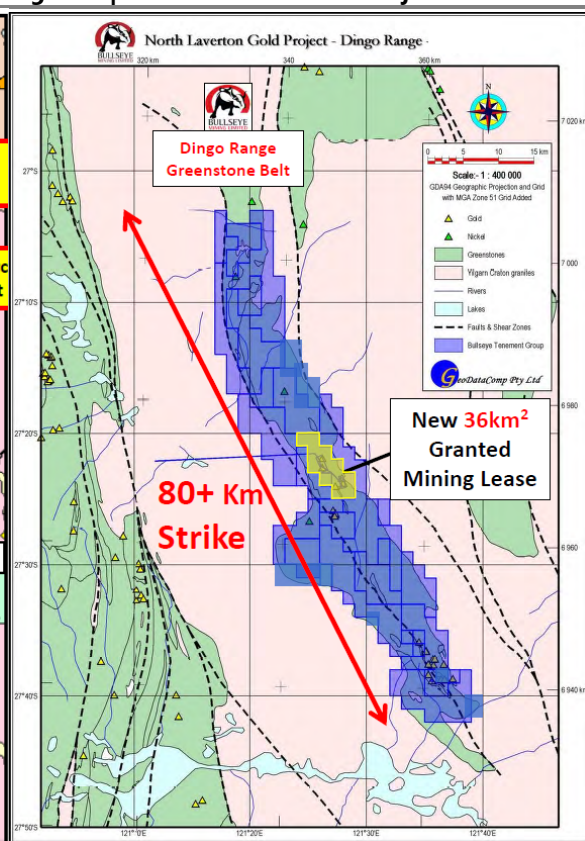
Figure 2 | Bullseye Licence Areas



In addition to the North Laverton Gold Project, Bullseye has a further two gold projects. These are the Southern Cross Gold Project and the Aurora Gold Project, which cover over 400km² of tenure.

North Laverton Gold Project

The North Laverton Gold Project consists of 32 exploration licences (including 4 applications) and 4 mining licences controlling the entire Dingo Range greenstone belt which covers in excess of 800km² of tenure (refer Figure 3 and Figure 4).

Figure 3 | North Laverton Gold Project Location

Figure 4 | North Laverton Gold Project


JORC 2012 Mineral Resource Estimate

In December 2015, Bullseye defined an Indicated and Inferred JORC compliant mineral resource of 3,414,000 tonnes at 2.51 g/t for 276,000 ounces of gold (**Maiden Resource**) at its Boundary, Stirling and Bungarra deposits, located within the North Laverton Gold Project.¹

The Maiden Resource has been calculated using a lower cut of 0.6g/t, is to a depth of approximately 120 metres and comprises the following components:

Table 1 | Boundary-Bungarra Mineral Resource Estimate

Prospect	Indicated			Inferred			Total		
	Tonnes	Grade	Ozs	Tonnes	Grade	Ozs	Tonnes	Grade	Ozs
Boundary	2,540,000	2.39	195,000	241,000	2.13	17,000	2,781,000	2.34	212,000
Stirling	47,000	2.49	3,700	41,000	1.99	2,600	88,000	2.25	6,400
Bungarra	449,000	3.34	48,700	96,000	2.87	8,900	545,000	3.26	57,600
Total	3,036,000	2.53	247,400	378,000	2.30	28,500	3,414,000	2.51	276,000

¹ As reported by Bullseye on its website and ASX announcement on 30 April 2018.

Subsequent to the calculation of the Maiden Resource in 2015, Bullseye has completed additional drilling consisting of 242 collars for 35,000m, which is intended to form the basis of an updated resource estimate in 2022.

Regional Exploration Potential

In addition to the Maiden Resource, the North Laverton Gold Project which covers over 800km² and captures the underexplored Dingo Range greenstone belt, has the potential to host multiple standalone deposits or satellite deposits to supply additional ore.

Blue Cap Joint Venture

On 2 June 2020, Bullseye entered into a joint venture arrangement with a mining production partner, Blue Cap Mining (**Blue Cap**), to establish a joint venture mining operation, focussing on Bullseye's Bungarra Gold deposit, located at the North Laverton Gold Project, with a 70% Bullseye / 30% Blue Cap profit split.

The Blue Cap Bullseye Joint Venture subsequently commenced mining operations at the Bungarra Gold deposit in December 2020. Processing of the ore is being undertaken via a toll processing agreement at the Wiluna Gold Processing Centre, with a large fleet of up to 15 road trains hauling the ore daily from the Bungarra mine site to the Wiluna Gold Processing Centre.

The current program consists of several stages of mining and processing campaigns to produce approximately 37,000 ozs of gold for the joint venture as at the completion of the program which is expected to occur in mid-2022.

On 8 September 2021, Bullseye announced the significant milestone of pouring its maiden gold bar from the Bungarra Gold Mine, located within the North Laverton Gold Project.

Plaints on Bullseye Tenure

As disclosed in Bullseye's 2021 Annual Report, between the dates of 27 June 2019 through to 12 March 2020, Bullseye received applications for forfeiture (**Plaints**) lodged against a number of its North Laverton Gold Project tenements and its Southern Cross tenements. The Plaints have been lodged by the following parties against the following projects:

<i>Project</i>	<i>Applicant for forfeiture</i>
North Laverton Gold Project	<ul style="list-style-type: none"> ▪ Zygmund Wolski; and ▪ Golden Soak Enterprises Pty Ltd (Michael Jay Williams)
Southern Cross Gold Project	<ul style="list-style-type: none"> ▪ West Australian Prospectors Pty Ltd (Vernon Wesley Strange); and ▪ Zygmund Wolski

A total of 18 Plaints have been lodged against Bullseye's mining tenements by Golden Soak Enterprises Pty Ltd and a total of 55 Plaints have collectively been lodged by West Australian Prospectors Pty Ltd and Mr Zygmund Wolski against mining tenements held by Bullseye and its subsidiaries.

Further, 14 objections to exemption applications have been lodged by West Australian Prospectors Pty Ltd or Zygmund Wolski against 17 tenements held by Bullseye and its subsidiaries.

The 2021 Annual Report notes that the Bullseye Board is of the view that the Plaints are opportunistic and without merit and that Bullseye has engaged specialist legal counsel to assist in defending all outlined actions.

Emerald has examined the expenditure and relevant dealings in the pleaded tenements and is satisfied there is no expected outcome that would have a negative impact on Emerald and its acquisition of Bullseye.

Emerald notes that the main mining licence (M37/519), which contains 79% of the current JORC-compliant Indicated and Inferred mineral resources, is not under plaintiff.

Legal Matters

As disclosed in Bullseye's 2021 Annual Report, there are currently 3 matters which are the subject of legal action.

Matter COR 83 of 2020

One of Bullseye's shareholders, Hongkong Xinhe International Investment Company Limited (**Xinhe**), has brought an action in the Supreme Court of Western Australia, COR 83 of 2020, against Bullseye and its Directors, alleging that the affairs of the company have been conducted in a manner which is oppressive to or unfairly discriminatory against Xinhe and contrary to the interests of shareholders as a whole. The trial of this matter commenced on 6 September 2021 and is scheduled to continue over two more blocks of Court dates until March 2022. Bullseye and its Directors are continuing to vigorously defend this matter.

Emerald has examined the legal matter and is satisfied there is no expected outcome that would have a negative impact on Emerald and its acquisition of Bullseye.

Matter CIV 1989 of 2020

Mr Sam Cheng and Mr Eddy Cheng as trustees of the NEZA Trust have brought an action in the District Court of Western Australia, CIV 1989 of 2020, against Bullseye, seeking payment of capital raising fees from Bullseye in the amount of approximately \$366,000. Bullseye has lodged a defence and counterclaim, denying any amount owing by Bullseye and seeking to recover an amount totalling \$429,000 (or in respect of part of that amount, the transfer of shares in the company) from these parties. This matter is scheduled for trial in January 2022.

Emerald has examined the legal matter and is satisfied there is no expected outcome that would have a negative impact on Emerald and its acquisition of Bullseye.

Matter CIV 1987 of 2020

Mr Sam Cheng has brought a further action in the District Court of Western Australia, CIV 1987 of 2020, against Bullseye, seeking payment of consultancy fees from Bullseye in the amount of approximately \$580,000. Bullseye has lodged a defence and counterclaim against Mr Sam Cheng and other parties, seeking damages for conspiring to cause harm and injury to Bullseye. The matter is in the interlocutory stages of the Court process and trial dates have not yet been set.

Emerald has examined the legal matter and is satisfied there is no expected outcome that would have a negative impact on Emerald and its acquisition of Bullseye.

Advisers

Steinepreis Paganin is acting as Australian legal adviser to Emerald and Euroz Hartleys is acting as corporate adviser to Emerald.

MPH Lawyers is acting as Australian legal adviser to Bullseye.

The announcement has been authorised by the Boards of Emerald Resources NL and Bullseye Mining Limited

For further information please contact:

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About Emerald Resources NL

**Cambodian Gold Project
Overview**

Emerald is a developer and explorer of gold projects. In particular, Emerald has been focused on the development and commissioning of its most advanced project, the Okvau Gold Mine in Cambodia which saw first production in June 2021. Since production commenced in June 2021, Emerald has now poured over 1,000kgs of gold bullion from its operations.

Emerald also hold a number of other projects in Cambodia which are made up of a combination of granted mining licences (100% owned by Emerald), and interests joint venture agreements. Together, Emerald's interest in its Cambodian Projects covers a combined area of 1,239km².

Okvau Gold Mine

The Okvau Gold Mine Operation is the most advanced of Emerald's projects. The Okvau Gold Mine is located approximately 275km north-east of Cambodia's capital city of Phnom Penh in the province of Mondulkiri (refer Figures 5 and 6). The town of Kratie is located on the Mekong River approximately 90km to the west and the capital of Mondulkiri, Saen Monourom is located approximately 60km to the south-east.

The principal activity of the consolidated entity during the 2021 financial year was the development of Emerald's 100% owned Okvau Gold Mine. On 26 June 2021 Emerald announced its maiden gold pour after successfully commissioning the processing plant and gold room. Subsequently, commissioning activities continued on the sulphide float regrind circuit which was successfully completed in July 2021. This marked the practical completion of the Okvau Gold Mine commissioning process and commencement of normal run of mine operations.

Following the successful commissioning of the processing plant and commencement of production, Emerald has now poured over 1,000kgs of gold bullion from its operations with a total of approximately US\$58 million of gold doré to the date. Fourteen shipments of gold bullion have now been delivered to the refinery and outturns received.

Figure 5 | Cambodian Gold Project | Location

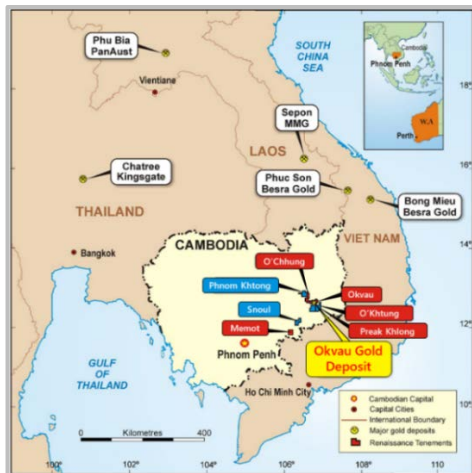
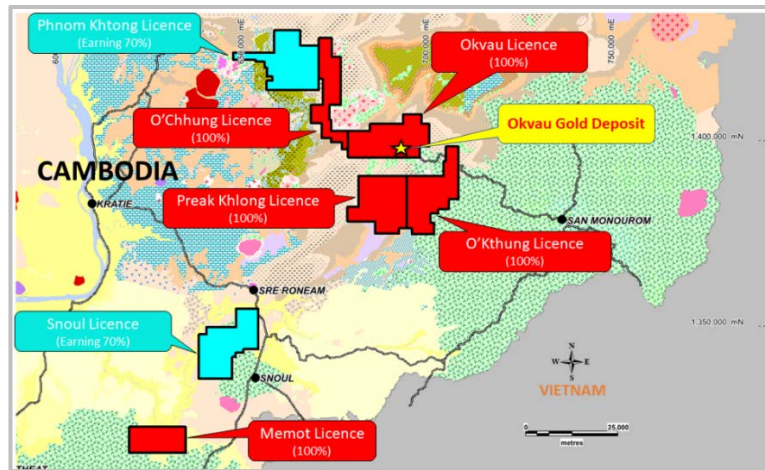


Figure 6 | Cambodian Gold Project | Exploration Licence Areas



Emerald’s gold production guidance at the Okvau Gold Mine remains in line with the Definitive Feasibility Study (released on 1 May 2017 and subsequently updated on 26 November 2019) of 100,000oz to 110,000oz on an annualised basis. Production guidance for the remainder of FY2022 remains in line with DFS forecasts at 25-30,000/oz per quarter and cash costs of US\$720 – US\$780/oz. An indicative AISC for August and September 2021 was approximately US\$723 per ounce and now having reached a steady state of production, full reporting of the AISC will commence from the December 2021 Quarter.

Table 2 | Okvau Mineral Resource Estimate – March 2021

Okvau Mineral Resource Estimate									
Cut-off (Au g/t)	Indicated Resource			Inferred Resource			Total Resource		
	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)	Tonnage (Mt)	Grade (g/t Au)	Contained Au (Koz)
0.70	15.11	2.08	1,008	2.57	1.61	133	17.68	2.01	1,141

The Project has a JORC Ore Reserve (Probable) estimate of 14.26Mt @ 1.98g/t Au for 907,000 ounces gold (refer Table 3).

Table 3 | Okvau Ore Reserve Estimate – March 2021

Okvau Ore Reserve Estimate		
	Tonnage (Mt)	Grade (g/t Au)
Probable Ore Reserve	14.26Mt	1.98g/t Au
		Contained Au (Koz)
		907koz

Other Emerald Projects

Emerald's exploration tenements in Cambodia, which comprise of a combination of 100% owned granted licences and joint venture agreements now cover a combined area of 1,239km².

Memot Project (100% Emerald)

The 100% owned Memot project is located 95km southwest of the Okvau Gold Mine. Emerald has received approval from the Cambodian Ministry of Environment and all relevant approvals to allow formal exploration activities to commence at the Memot project following completion and submission of an independently commissioned environmental impact assessment.

Identified historical work includes mapping and 23 rock chip samples (verified) from around the shafts and the artisanal workings. These results include 8 values greater than 9g/t with peak values of 72.8g/t, 74.5g/t and 83.2g/t Au coincident with high values of the same associated elements observed at the Okvau Gold Project (As, Te, Sb and Bi). In addition to the peak gold values, 3 rock chip samples also returned significant Ag (> 190 g/t) and Cu (>3 %) values (refer to Emerald's ASX Announcement dated 28 January 2021). Notably the highest grade (historical) rock chip samples were collected from the stockpiles created from spoils from underground mining.

A drilling program to test these grades has recently commenced at the Memot project.

Preak Khlong and O'kthung Projects (100% Emerald)

Both gradient array and dipole-dipole geophysical surveys have been completed on Emerald's 100% owned Preak Khlong NW and Gossan prospectus (refer to Emerald's ASX Announcement dated 1 April 2020 and 30 April 2021), the data is currently being modelled with results to be released when available. Both the Okapai and Big Toe prospects (refer to Emerald's ASX Announcement dated 1 April 2020 and 30 April 2021) have gradient array programmes underway and are expected to be completed by the end of the current quarter. Any significant targets will be followed up with dipole-dipole surveys to assist with developing drill targets for testing later in 2021 once the dry season commences and access improves.

Competent Persons Statements

The information in this report that relates to Emerald's Exploration and Drill Results is based on information compiled by Mr Keith King, who is an employee of Emerald Resources NL and who is a Member of The Australasian Institute of Mining & Metallurgy. Mr Keith King has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Keith King has reviewed the contents of this release as they relate to Emerald and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources for the Okvau Gold Deposit was prepared by EGRM Consulting Pty Ltd, Mr Brett Gossage, who is a consultant to the Company, who is a Member of the Australasian Institute of Mining & Metallurgy (AIG), and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Gossage has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

Information in this announcement that relates to Ore Reserves for the Okvau Gold Deposit is based on, and fairly represents, information and supporting documentation prepared by Mr Glenn Williamson, an independent specialist mining consultant. Mr Williamson is a Member of the Australasian Institute of Mining & Metallurgy. Mr Williamson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person (or 'CP') as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Williamson has reviewed the contents of this news release and consents to the inclusion in this announcement of all technical statements based on his information in the form and context in which it appears.

No New Information

To the extent that announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by Emerald Resources NL or Bullseye Mining Limited, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Forward Looking Statements and Disclaimers

This announcement is for information purposes only and does not constitute a prospectus or prospectus equivalent document. It is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase or otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, nor shall there be any offer, sale, issuance or transfer of securities in any jurisdiction in contravention of any applicable law.

This announcement contains forward looking statements. Forward looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "forecast", "believe", "plan", "estimate", "expect" and "intend" and statements that an event or result "may", "will", "should", "could" or "might" occur or be achieved and other similar expressions.

The forward looking statements in this announcement are based on current expectations, estimates, forecasts and projections about Emerald and Bullseye and the industry in which they operate. They do, however, relate to future matters and are subject to various inherent risks and uncertainties. Actual events or results may differ materially from the events or results expressed or implied by any forward looking statements. The past performance of Emerald or Bullseye is no guarantee of future performance.

None of Emerald, Bullseye or any of their directors, officers, employees, agents or contractors makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law.

You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this announcement reflect views held only as at the date of this announcement.

EMERALD RESOURCES NL
ACN 009 795 046
(Emerald)

and

BULLSEYE MINING LIMITED
ACN 118 341 736
(Bullseye)

BID IMPLEMENTATION AGREEMENT

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THIS AGREEMENT is made the day of

2021

BETWEEN

EMERALD RESOURCES NL (ACN 009 795 046) of 1110 Hay Street, West Perth, Western Australia 6005 (**Emerald**);

AND

BULLSEYE MINING LIMITED (ACN 118 341 736) of Level 2, 102 Beaufort Street, Perth WA 6000 (**Bullseye**).

RECITALS

- A. Emerald is proposing to acquire all of the Bullseye Shares by way of the Takeover Bid.
- B. Emerald and Bullseye have agreed to certain matters in relation to the Takeover Bid as set out in this agreement.
- C. The Bullseye Board proposes to recommend that Bullseye Shareholders accept the Offer in respect of their Bullseye Shares subject only to the qualifications that no Superior Proposal emerges.

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

The following words have these meanings in this agreement 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
- (b) 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 the date on which the announcement referred to in clause 10.1 is released to ASX.

Announcement Date means 7 December 2021.

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 agreement.

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

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

Blue Cap JV means Blue Cap Bullseye Joint Venture Pty Ltd ACN 645 296 331 in its capacity as trustee for the Blue Cap Bullseye Joint Venture Trust.

Bullseye Board means the board of directors of Bullseye.

Bullseye 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 agreement relating to the business, technology or other affairs of Bullseye or its Subsidiaries, the terms of this agreement, its existence and the fact the parties are in negotiations in relation to the agreement.

Bullseye Director means a director of Bullseye.

Bullseye Group means Bullseye and its Subsidiaries.

Bullseye Material Adverse Change means:

- (a) 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 has, will or is reasonably likely to have a material adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of the Bullseye 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 agreement but was not apparent from public filings of Bullseye before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Bullseye Group exceeds \$750,000, but does not include:

- (c) anything which has arisen solely as a result of actions taken by any member of the Bullseye Group either in the ordinary course of its business or with the prior written approval of Emerald;
- (d) those events or circumstances required to be done or procured by Bullseye pursuant to this agreement;
- (e) those events or circumstances relating to:
 - (i) changes in the global gold industry or security markets generally or a change in the market price of gold which impacts on Bullseye and its competitors in a similar manner;
 - (ii) changes in law or in general economic, political or business conditions occurring after the date of this agreement that impact Bullseye and its competitors in a similar manner; or
 - (iii) changes in generally accepted accounting principles or the interpretation of them;

- (f) those events or circumstances resulting from:
 - (i) an act of God, act of war declared or undeclared, public disorder, riot, civil disturbance, insurrection, rebellion, sabotage, cyber-attack or act of terrorists, pandemic (or worsening of it), technical failure, cable transmission and/or satellite failure or degradation, accident, lightning, storm, flood, fire, earthquake or explosion, cyclone, tidal wave, landslide or adverse weather conditions occurring on or after the date of this agreement; or
 - (ii) any deterioration in equity or debt markets, interest rates, exchange rates or credit spreads that impact Bullseye and its competitors in a similar manner; or
- (g) an event, circumstance, matter or information that has been disclosed by Bullseye to Emerald or is otherwise known to Emerald or its Representatives on or prior to the date of this agreement or otherwise disclosed in public filings by Bullseye with ASIC.

Bullseye Share means a fully paid ordinary share in Bullseye.

Bullseye Shareholder means a holder of one or more Bullseye Shares.

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 Bullseye Board which, if completed substantially in accordance with its terms, would mean a person (other than Emerald 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 Bullseye Shares; or
 - (ii) all or a substantial part of the business conducted by the Bullseye Group.
- (a) acquire control of Bullseye, within the meaning of section 50AA of the Corporations Act; or
- (b) otherwise directly or indirectly acquire or merge with Bullseye or acquire an economic interest in the whole or a substantial part of Bullseye 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 Emerald Confidential Information or Bullseye Confidential Information, as the case requires.

Confidentiality Agreement means the confidentiality agreement entered into between Emerald and Bullseye dated 6 November 2020.

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

Emerald Board means the board of directors of Emerald.

Emerald 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 agreement relating to the business, technology or other affairs of Emerald, the terms of this agreement, its existence and the fact the parties are in negotiations in relation to the agreement.

Emerald Group means Emerald and its Subsidiaries.

Emerald 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 Emerald 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 agreement but was not apparent from public filings by Emerald before then, becomes public,

where the financial impact of such event, change, condition, matter or thing on the Emerald Group exceeds \$5,000,000, but does not include:

- (a) anything which has arisen solely as a result of any actions taken by any member of the Emerald Group in the ordinary course of its business;
- (b) those events or circumstances required to be done or procured by Emerald pursuant to this agreement;
- (c) those events or circumstances relating to changes in the global gold industry or security markets generally or a change in the market price of gold which impacts on Emerald and its competitors in a similar manner;
- (d) an event, circumstance, matter or information that is known to Bullseye or its Representatives on or prior to the date of this agreement or otherwise disclosed in public filings by Emerald with ASIC or provided to ASX on or prior to the date of this agreement.

Emerald Share means a fully paid ordinary share in Emerald.

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 agreement in accordance with its terms; and
- (b) the end of the Offer Period,

or such later date as the parties agree.

Excluded Arrangements means any transactional, operational and incidental activities undertaken by any member of the Bullseye Group in respect of any of the following:

- (a) the progression of any transaction in respect of the Bullseye Group's Southern Cross Gold Project portfolio, as contemplated under any draft agreement previously disclosed to Emerald (including the entry by any member of the Bullseye Group into any of those agreements on substantially the same terms as has previously been disclosed to Emerald);
- (b) continuation of all current planned mining works by the Blue Cap JV at the Bungarra deposit, including Stage 3 cut-back, haulage and processing of circa 100,000 Bungarra ore tonnes, to be processed via toll treatment arrangement in or around March 2022;
- (c) the advancement, development and mining by the Blue Cap JV of a defined pit shell at Bullseye's Neptune gold deposit containing up to 17,000oz, to be processed on a toll treatment basis, to be agreed by the members of the Blue Cap JV;
- (d) ensuring all material leases and permits held by, or on behalf of, Bullseye or any Subsidiary of Bullseye are in good standing and Bullseye and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable mining legislation in all material respects including meeting expenditure requirements on all leases and permits; and/or
- (e) ensuring the Bullseye Group is able to continue to conduct its business in the ordinary and proper course and in substantially the same manner as previously conducted (including, subject to clause 5.4, ensuring the Bullseye Group has sufficient working capital to be able to do so which may include sourcing debt funding to give effect to that position and to ensure that the Bullseye Group is able to take any action under paragraphs (a) to (c) above),

and for the avoidance of doubt includes the entry by any member of the Bullseye Group into any agreement to give effect to any action under paragraphs (a) to (d) above.

Excluded Information means Emerald Confidential Information or Bullseye Confidential Information which:

- (a) is in or becomes part of the public domain other than through a breach of this agreement 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 (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 agreement until the earlier of:

- (a) the date of termination of this agreement;
- (b) the end of the Offer Period; and
- (c) the date that is 3 months after the date of this agreement.

Foreign Bullseye Shareholder means a Bullseye Shareholder:

- (a) who is a citizen or resident of a jurisdiction other than residents of Australia and its external territories; or
- (b) whose address shown in the Register is a place outside Australia and its external territories, unless Emerald determines that:
 - (i) it is lawful and not unduly onerous or unduly impracticable to issue that Bullseye Shareholder with Emerald Shares on completion of the Offer; and
 - (ii) it is lawful for that Bullseye Shareholder to participate in the Offer by the law of the relevant place outside Australia and its external territories,.

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 agreement);
- (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 agreement reasonably deduces it is so subject);
- (h) it is otherwise unable to pay its debts when they fall due; or
- (i) something having a substantially similar effect to (a) to (h) happens in connection with that person under the law of any jurisdiction.

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

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

Listing Rules means the Listing Rules of ASX.

Lodgement Date means the date Emerald 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 \$250,000, in the case of the Bullseye Group and \$1,500,000 in the case of Emerald.

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

Offer Date means:

- (a) the date which is 6 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.

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

Prescribed Occurrence means any of the events listed in Schedule 3.

Register means the share register of Bullseye and **Registry** has a corresponding meaning.

Register Date means the date set by Emerald 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.

Reimbursement Fee means \$500,000.

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

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 agreement and ending on the End Date.

Retirement Date means the date on which the last of the Bullseye Directors at the date of this agreement ceases to be a Bullseye Director (provided that the Offer has become unconditional and Emerald has a Relevant Interest in at least 50.1% of Bullseye 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 Bullseye Board acting in good faith and in order to satisfy what the Bullseye 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 Bullseye Shareholders than the Takeover Bid, taking into account all terms and conditions of the Competing Proposal.

Takeover Bid means the off-market takeover bids by Emerald for all Bullseye 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 Bullseye 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 Bullseye, Emerald or their respective Related Bodies Corporate or Associates.

Timetable means the timetable set out in Schedule 1.

1.2 Interpretation

In this agreement:

- (a) headings are for convenience only and do not affect its interpretation;
- (b) no provision of this agreement will be construed adversely to a party because that party was responsible for the preparation of this agreement 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 agreement) 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 agreement and a reference to this agreement includes any schedule, exhibit or annexure to this agreement;
- (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 agreement 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
- (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

Bullseye and Emerald must each:

- (a) use all reasonable endeavours and commit necessary resources (including management and the resources of external 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 Access to people and information

- (a) Between the date of this agreement and the earlier of the end of the Offer Period and the date this agreement 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 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 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 Bullseye and Emerald following implementation of the Takeover Bid; and
 - (D) any other purpose which is agreed in writing between the parties.
- (b) The obligations in clause 2.2(a), do not apply to the extent that:
 - (i) in respect of Bullseye, the access or information is connected to the Bullseye Board's deliberations in relation to the transactions contemplated by this agreement, or information connected to a potential Competing Proposal; and
 - (ii) in respect of Emerald, the access or information is connected to the Emerald Board's deliberations in relation to the transactions contemplated by this agreement.

2.3 Implementation obligations of Bullseye

Bullseye must:

- (a) provide all necessary information about the Register to Emerald which Emerald reasonably requires in order to assist Emerald to solicit acceptances under the Takeover Bid;
- (b) provide all necessary directions to the Registry promptly to provide any information that Emerald reasonably requests in relation to the Register, including any sub-register, and, where requested by Emerald, Bullseye must procure such information is provided to Emerald in such electronic form as is reasonably requested by Emerald; 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 Emerald, acting reasonably, subject to Emerald meeting 100% of the costs of such services and preparing the requests to the shareholders.

2.4 Appointment of directors – Bullseye Board

As soon as practicable after Emerald has a Relevant Interest in more than 50% of the Bullseye Shares and the Offer becomes or is declared unconditional, Bullseye must take all actions necessary to ensure the resignation of no more than two of the current directors of Bullseye and the appointment as Bullseye directors of such persons as are nominated by Emerald in writing, such that a majority of the directors of Bullseye are directors nominated by Emerald, a proper board is constituted at all times and that Emerald procures that its appointees to the Bullseye Board do not participate in decisions of Bullseye 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 Emerald

Emerald must, by no later than the Offer Date, and in any event as soon as reasonably practicable, make the Offer to all Bullseye Shareholders in respect of all of their Bullseye Shares on the terms of this agreement or terms no less favourable to Bullseye Shareholders than the terms of this agreement and otherwise in accordance with all applicable provisions of the Corporations Act.

3.2 Consideration

The consideration offered by Emerald under the Takeover Bid will be for every Bullseye Shareholder, 1 Emerald Share for every 3.43 Bullseye Shares held as at the Register Date.

3.3 Fractional entitlements

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

3.4 Foreign Bullseye Shareholders

- (a) Emerald will, unless satisfied in its sole discretion that the laws of a Foreign Bullseye Shareholder's country of residence (as shown in the Register) allow for the issue of Emerald Shares to the Foreign Bullseye Shareholder (either unconditionally or after compliance with conditions which Emerald regards in its sole discretion but acting reasonably as acceptable and not unduly onerous and not unduly impracticable), issue the Emerald Shares to which a Foreign Bullseye Shareholder would otherwise become entitled, to a nominee appointed by Emerald (**Sale Nominee**).
- (b) Emerald will cause the Emerald 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) Emerald will cause the Sale Nominee to pay (after deducting any the Offer receive the same value per Bullseye Share, subject to rounding):

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

Where:

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

FS is the number of Emerald Shares which would have been allotted and issued to the Foreign Bullseye Shareholder but for the Emerald Shares being issued to the Sale Nominee; and

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

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 agreement.
- (c) Bullseye 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 Date, provided that nothing in this clause requires the directors of Bullseye to take any action which would result in a breach of a statutory or fiduciary duty or prevents Bullseye taking any of the actions contemplated in clause 3.8.
- (d) Emerald may waive the satisfaction of any Condition in its sole discretion.

3.6 Offer Period

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

3.7 Variation

- (a) Emerald may vary the Offer in accordance with the Corporations Act.
- (b) Subject to the Corporations Act, Emerald may declare the Offer to be free from any Condition or extend the Offer Period at any time.

3.8 Non-reliance on and waiver of potential prior breach of Conditions

Emerald agrees that it will not rely on a breach of:

- (a) Condition 4 of Schedule 2:
 - (i) to the extent that any person purports to exercise, states an intention to exercise (whether or not that intention is stated to be a final decision), or asserts the ability to exercise (as contemplated in paragraph (ii) of that Condition), any right stated in that Condition, where such person is not entitled to exercise that right; or
 - (ii) to the extent that obligations or liabilities under any such agreement total less than \$750,000 (as contemplated in paragraph (iv) of that Condition); or
 - (iii) in relation to any mandates in connection with the Takeover Bid which have been disclosed in writing to Emerald prior to signing this agreement;
- (b) Condition 5(v) of Schedule 2, to the extent that a variation of a contract, commitment or arrangement is not material;
- (c) Condition 5(vii) of Schedule 2 to the extent that the contract, commitment or other arrangement is not material; and

- (d) Condition 5(ix) of Schedule 2 in relation to any fees from mandates in connection with the Takeover Bid which have been disclosed in writing to Emerald prior to signing this agreement,

and Emerald agrees to waive each of those Conditions to the extent as set out above.

4. DOCUMENTATION AND RECOMMENDING DIRECTORS' RECOMMENDATION

4.1 Emerald's obligations to prepare documentation

- (a) Emerald 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) Emerald 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 Bullseye Shareholders in accordance with the Timetable, subject to Bullseye granting any necessary consents and ASIC granting any necessary modifications.

4.2 Bullseye's obligations to prepare documentation

- (a) Bullseye will prepare the Target's Statement in response to the Offer in accordance with the Corporations Act.
- (b) Bullseye 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 Bullseye Shareholders in accordance with the Timetable, subject to Emerald 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 agreement) as is reasonably required by the other party in order to enable the other party to fulfil its obligations under this agreement, including, but not limited to, the preparation of the Bidder's Statement and Target's Statement.

4.4 Recommendation of Bullseye Directors

Bullseye represents and warrants that:

- (a) the Bullseye Board will recommend that all Bullseye Shareholders accept the Offer, subject to there being no Superior Proposal;
- (b) it has been informed by each of the directors of Bullseye that they intend to accept the Offer within 7 days of the Offer becoming open for acceptance with respect to all Bullseye 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 Bullseye 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.

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

Subject to there being no Superior Proposal:

- (a) Emerald agrees that it will provide Bullseye with a reasonable opportunity to review the final draft of its Bidder's Statement and any supplementary bidder's statements and Bullseye agrees that it will provide Emerald 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 Timetable

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

4.7 Consent to early dispatch of Bidder's Statement

Bullseye agrees (by authority of its directors) that the Offer and accompanying documents to be sent by Emerald under the Takeover Bid under item 6 of section 633(1) of the Corporations Act may 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 agreement 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; and
 - (ii) 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 Emerald and Bullseye following implementation of the Takeover Bid.
- (b) For the purpose of clause 5.1(a) and subject to the terms of this agreement:
 - (i) Emerald making the Offer and responding to any Competing Proposal (together with all associated activity and expenditure) in accordance with this agreement, is deemed to be Emerald conducting its business in the ordinary and proper course; and
 - (ii) Bullseye responding to the Offer and responding to any potential Competing Proposal (together with all associated activity and expenditure) in accordance with this agreement, is deemed to

be Bullseye 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 agreement;
 - (ii) has been fairly disclosed by the party prior to execution of this agreement, including in public filings to the ASX (and, in the case of Bullseye, includes the Excluded Arrangements and all relevant actions to give effect to them);
 - (iii) is required by any applicable law or Regulatory Authority;
 - (iv) 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);
 - (v) has been agreed to in writing by the other party; or
 - (vi) involves the incurring of reasonable costs in relation to the transactions contemplated by the Takeover Bid.

5.2 Prohibited actions

Other than in the case of the Excluded Arrangements, or with Emerald's prior approval, or otherwise as fairly disclosed to Emerald in writing before the date of this agreement, Bullseye 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 (other than the issue of any shares in connection with the exercise of options or as provided in clause 8.2(j)), 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 which complies with the Corporations Act and the Listing Rules and is in place as at the date of this agreement and a copy of which has previously been provided to the other party.

- (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 agreement and a copy of which has previously been provided to the other party.

(e) **Arrangements with financial advisers**

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

(f) **Financial accommodation**

Obtain or agree to obtain any financial accommodation from any party other than as contemplated in clause 5.4.

(g) **Prescribed Occurrence**

Take any action which gives 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 mineral asset (including any geological data) or a material interest in any such asset without prior consultation of the other party.

(i) **Agreement**

Agree to do any of the matters set out above.

5.3 Director and Officer Insurance

(a) During the Insurance Run-Off Period Bullseye must, and Emerald must procure Bullseye to, ensure that the 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.

5.4 Funding arrangements

(a) If at any time prior to the End Date the Bullseye Board considers it necessary for the Bullseye Group to obtain additional funding (including for the purposes of pursuing any of the Excluded Arrangements), then:

(i) Bullseye must notify Emerald in writing of such fact including details of the amount and purpose of such required additional funding; and

(ii) Emerald will be given a first option to offer in writing to directly provide or to procure the provision of the necessary required additional funding to the Bullseye Group:

(A) subject to this clause 5.4;

(B) on a debt-basis only; and

(C) on normal commercial terms.

- (b) In the event Emerald does not respond with an offer in writing to directly provide or to procure the provision of all of the required additional funding to the Bullseye Group (on the terms set out in clause 5.4(a)(ii)) within 14 days of Bullseye notifying Emerald under clause 5.4(a)(i), Bullseye will thereafter be entitled (without any further obligation to Emerald) to procure and obtain the necessary required additional funding from a third party on such commercial terms as agreed to by the Bullseye Board, acting reasonably and in good faith.
- (c) In the event Emerald responds with an offer in writing to directly provide or to procure the provision of all of the required additional funding to the Bullseye Group within 14 days of Bullseye notifying Emerald under clause 5.4(a)(i), Bullseye will have a period of 21 days after receipt of that applicable offer to either:
- (i) accept the applicable offer by notifying Emerald in writing of such fact, in which case the parties agree to promptly negotiate and enter into any additional agreement(s) required to give effect to the applicable offer;
 - (ii) seek or procure a bona-fide offer from a third party to provide the required additional funding on more favourable commercial terms than the offer being made by Emerald (as determined by the Bullseye Board, acting reasonably and in good faith and provided such third-party offer is on a debt-basis only), in which case Bullseye may accept that third-party offer on the basis that Bullseye has provided Emerald with sufficient information regarding the terms of the third-party offer and given Emerald at least 7 days to provide a matching or superior funding proposal to the third-party offer and Emerald not responding with a matching or superior funding proposal; or
 - (iii) elect not to proceed with any funding arrangement by notifying Emerald in writing of such fact.

6. EXCLUSIVITY

6.1 No existing discussions

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

6.2 No-shop and no talk

During the Exclusivity Period, Bullseye 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 Bullseye 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 Bullseye 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(a),

but nothing in this clause 6.2 prevent Bullseye 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

Clause 6.2(b) does not prohibit any action or inaction by Bullseye or any of its Related Persons in relation to any actual, proposed or potential Competing Proposal, which the Bullseye Board acting in good faith determines, having regard to written advice from its external 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 Bullseye, provided that the actual, proposed or potential Competing 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, Bullseye must as soon as possible (and in any event within 24 hours) notify Emerald 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 Bullseye 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 Bullseye or any of its Related Persons of any non-public information concerning the business or operations of Bullseye or the Bullseye 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 Bullseye 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 Emerald.

- (b) A notification given under clause 6.4(a) must include a summary of all material terms and conditions of the relevant actual, proposed or potential Competing Proposal (and the identity of the party making or proposing the relevant actual, proposed or potential Competing Proposal if such disclosure is not prohibited by the Competing Proposal)).
- (c) Commencing upon the provision of any notice referred to in clause 6.4(a), Bullseye must as soon as possible advise Emerald 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 Emerald of the timing of any board meeting to consider that proposal unless (and only to the extent that) the Bullseye 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 Emerald.

6.5 Matching right

- (a) Without limiting clause 6.2, during the Exclusivity Period, Bullseye:
 - (i) must not enter into any legally binding agreement, arrangement or understanding (whether or not in writing) pursuant to which a Third Party, Bullseye 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 actual, proposed or potential Competing Proposal or recommend against the Takeover Bid (provided that a statement that no action should be taken by Bullseye Shareholders pending the assessment of a Competing Proposal by the Bullseye Board and its advisers shall not contravene this clause), unless:
 - (iii) the Bullseye Board acting in good faith and in order to satisfy what the members of the Bullseye Board consider to be their statutory or fiduciary duties (having received written advice from its external financial and legal advisers) determines that the Competing Proposal would be or would be likely to be an actual, proposed or potential Superior Proposal;

- (iv) Bullseye has complied with clause 6.4(b);
 - (v) Bullseye has given Emerald at least 5 Business Days after the date of the provision of the information referred to in clause 6.4(b) to provide a matching or superior proposal to the terms of the actual, proposed or potential Competing Proposal; and
 - (vi) Emerald has not announced or otherwise formally proposed to Bullseye 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 Emerald proposes to Bullseye, 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, Bullseye must procure that the Bullseye Board considers the Counterproposal and if the Bullseye Board, acting reasonably and in good faith, determines that the Counterproposal (as completed) would provide an equivalent or superior outcome for Bullseye Shareholders as a whole compared with the Competing Proposal, then Bullseye and Emerald must use their best endeavours to agree the amendments to this agreement that are reasonably necessary to reflect the Counterproposal and to implement the Counterproposal, in each case as soon as reasonably practicable, and Bullseye must procure that each of the directors of Bullseye continues to recommend the Takeover Bid (as modified by the Counterproposal) to Bullseye Shareholders.

6.6 Cease discussions

Bullseye must, and must procure that its Related Bodies Corporate, cease any discussions or negotiations existing as at the date of this agreement 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,

provided that nothing in this clause 6.6 will require Bullseye to cease any discussions or negotiations with respect to an Excluded Arrangement.

6.7 Provision of information by Bullseye

- (a) Subject to clause 6.7(b), during the Exclusivity Period, Bullseye must as soon as possible provide Emerald 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 Bullseye or the Bullseye 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 Emerald.

- (b) Bullseye 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; and
 - (ii) that Third Party has entered into a confidentiality agreement with Bullseye on customary terms and which is no more favourable to the Third Party than the Confidentiality Agreement.

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 Bullseye 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) Bullseye 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.

7. REIMBURSEMENT FEE

7.1 Background to Reimbursement Fee

- (a) Each party acknowledges that, if they enter into this agreement and the Takeover Bid is subsequently not implemented, the parties will incur significant costs, including those set out in clause 7.5.
- (b) In these circumstances, the parties have agreed that provision be made for the payment outlined in this clause 7, without which the parties would not have entered into this agreement or otherwise agreed to implement the Takeover Bid.
- (c) Bullseye and the Bullseye Board believe, having taken advice from its external legal adviser, that the implementation of the Takeover Bid will provide benefits to it and its shareholders, and that it is reasonable and appropriate that Bullseye agree to the payments referred to in clause 7.2 in order to secure Emerald's participation in the Takeover Bid.
- (d) Emerald and the Emerald Board believe, having taken advice from its external legal adviser, that the implementation of the Takeover Bid will provide benefits to it and its shareholders, and that it is reasonable and appropriate that Emerald agree to the payments referred to in clause 7.3 in order to secure Bullseye's participation in the Takeover Bid.

7.2 Triggers for payment of Reimbursement Fee by Bullseye

Subject to clauses 7.6 and 7.8, Bullseye must pay the Reimbursement Fee to Emerald without set-off or withholding, if:

- (a) during the Exclusivity Period, any one or more members of the Bullseye Board withdraws, adversely revises or adversely qualifies his or her support of the Takeover Bid or his or her recommendation that Bullseye Shareholders accept the Offer or fails to recommend that Bullseye Shareholders accept the Takeover Bid, or, having made such a recommendation, withdraws, adversely revises or adversely qualifies that recommendation for any reason;
- (b) during the Exclusivity Period, any one or more members of the Bullseye Board recommends that Bullseye Shareholders accept or vote in favour of, or otherwise supports or endorses (including support by way of accepting or voting, or by way of stating an intention to accept or vote, in respect of any Bullseye Shares held or controlled by them or held on their behalf), a Competing Proposal of any kind that is announced (whether or not such proposal is stated to be subject to any pre-conditions) during the Exclusivity Period; or
- (c) Emerald has terminated this agreement pursuant to clause 9.1(a), 9.1(c) or 9.2(b).

7.3 Triggers for payment of Reimbursement Fee by Emerald

Subject to clauses 7.6 and 7.8, Emerald must pay the Reimbursement Fee to Bullseye without set-off or withholding, if Bullseye has terminated this agreement pursuant to clause 9.1(a) or 9.1(c).

7.4 Timing of payment of Reimbursement Fee

- (a) A demand by either party for payment of the Reimbursement Fee under clause 7.2 or 7.3 (as applicable) must:
 - (i) be in writing;
 - (ii) be made after the occurrence of the event in that clause giving rise to the right to payment;
 - (iii) state the circumstances which give rise to the demand; and
 - (iv) nominate an account into which the other party is to pay the Reimbursement Fee,

and may only be made after the End Date and provided that Emerald has not become the registered legal and beneficial holder of at least 50.1% of Bullseye Shares.

- (b) Subject to clause 7.8, Bullseye must pay the Reimbursement Fee into the account nominated by Emerald, without set-off or withholding, within 21 Business Days after receiving a demand for payment where Emerald is entitled under clause 7.2 to the Reimbursement Fee.
- (c) Subject to clause 7.8, Emerald must pay the Reimbursement Fee into the account nominated by Bullseye, without set-off or withholding, within 21

Business Days after receiving a demand for payment where Bullseye is entitled under clause 7.3 to the Reimbursement Fee.

7.5 Basis of Reimbursement Fee

The amount payable by Bullseye pursuant to clause 7.2 and Emerald pursuant to clause 7.3 is purely and strictly compensatory in nature and has been calculated to reimburse the receiving party for costs including the following:

- (a) fees for legal, financial and other professional advice in planning and implementing the Takeover Bid (excluding success fees);
- (b) reasonable opportunity costs incurred in engaging in the Takeover Bid or in not engaging in other alternative or strategic initiatives;
- (c) costs of management and directors' time in planning, considering and implementing the Takeover Bid; and
- (d) out of pocket expenses incurred by a party's employees, advisers and agents in planning, considering and implementing the Takeover Bid,

and the parties agree that:

- (e) the costs actually incurred will be of such a nature that they cannot all be accurately ascertained; and
- (f) the amount payable is a genuine and reasonable pre-estimate of those costs,

and each party represents and warrants that it has received advice from its external legal adviser on the operation of this clause 7.

7.6 Compliance with law

This clause 7 does not impose an obligation on a party to pay the Reimbursement Fee to the extent (and only to the extent) that the obligation to pay the Reimbursement Fee:

- (a) is declared by the Takeovers Panel to constitute 'unacceptable circumstances'; or
- (b) is determined to be unenforceable or unlawful by a court,

provided that, in either case, all lawful avenues of appeal and review, judicial and otherwise, have been exhausted. For the avoidance of doubt, any part of the Reimbursement Fee that would not constitute unacceptable circumstances or that is not unenforceable or unlawful (as applicable) must be paid by the relevant party. To the extent that the Reimbursement Fee has already been paid, the recipient of the Reimbursement Fee must refund the relevant portion of the Reimbursement Fee paid under this agreement within 5 Business Days of receipt of a demand for refund.

7.7 Reimbursement Fee payable only once

Where the Reimbursement Fee becomes payable to Emerald under clause 7.2 or Bullseye under clause 7.3 and is actually paid, the recipient of the Reimbursement Fee cannot make any claim against the other party for payment of any subsequent Reimbursement Fee.

7.8 Limitation of liability

Notwithstanding any other provision of this agreement, except in relation to a wilful or intentional breach of or non-compliance with any provision of this agreement by the party which pays the Reimbursement Fee:

- (a) the maximum liability of a party to all other parties under or in connection with this agreement including in respect of any breach of this agreement will be the Reimbursement Fee;
- (b) a payment by a party in accordance with this clause 7 represents the sole and absolute liability of that party under or in connection with this agreement and no further damages, fees, expenses or reimbursements of any kind will be payable by that party in connection with this agreement; and
- (c) the amount of the Reimbursement Fee paid to the recipient under this clause 7 shall be reduced by the amount of any loss or damage recovered by any other party in relation to a breach of this agreement.

8. WARRANTIES

8.1 Emerald Warranties

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

- (a) each member of the Emerald Group is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Emerald has been properly authorised by all necessary corporate action and Emerald has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Emerald's constitution or any agreement or agreement or writ, order or injunction, rule or regulation to which Emerald 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 Emerald 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 Emerald Shares;
- (e) to the best of Emerald's knowledge, having made reasonable enquiries, 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 Emerald or its Representatives on or before the date of this agreement;

- (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 Emerald Group that does or is reasonably likely to constitute an Emerald Material Adverse Change;
- (i) all material leases and permits held by, or on behalf of, Emerald or any Subsidiary of Emerald are in good standing and Emerald and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable mining legislation in all material respects and, as far as Emerald is aware, such material leases and permits are not liable to forfeiture;
- (j) 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 Emerald to Bullseye in writing prior to the date of this agreement; and
- (k) as at the date of this agreement, Emerald 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 Emerald 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 agreement.

Shares	
Emerald Shares	515,397,207
Options	
Emerald Unlisted Options	
• exercisable at \$0.52 each on or before 6 January 2022	250,000
• exercisable at \$0.51 each on or before 21 January 2022	46,500
• exercisable at \$0.57 each on or before 9 March 2022	337,250
• exercisable at \$0.49 each on or before 6 July 2022	250,000
• exercisable at \$0.434 each on or before 5 June 2023	1,500,000
• exercisable at \$0.39 each on or before 30 January 2024	600,000
• exercisable at \$0.47 each on or before 21 June 2024	300,000

• exercisable at \$0.51 each on or before 12 March 2025	600,000
• exercisable at \$0.53 each on or before 19 May 2025	750,000
• exercisable at \$0.67 each on or before 30 July 2025	5,200,000
• exercisable at \$0.77 each on or before 8 October 2025	650,000
• exercisable at \$0.82 each on or before 4 January 2026	600,000
• exercisable at \$0.95 each on or before 23 February 2026	550,000
• exercisable at \$0.94 each on or before 22 March 2026	350,000
• exercisable at \$1.02 each on or before 3 May 2026	150,000
• exercisable at \$1.09 each on or before 29 July 2026	3,375,000

8.2 Bullseye Warranties

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

- (a) each member of the Bullseye Group is a validly existing corporation registered under the laws of its place of incorporation;
- (b) the execution and delivery of this agreement by Bullseye has been properly authorised by all necessary corporate action and Bullseye has full corporate power and lawful authority to execute and deliver this agreement and to perform or cause to be performed its obligations under this agreement;
- (c) (subject to the laws generally affecting creditors' rights and the principles of equity) this agreement constitutes legal, valid and binding obligations on it and execution of this agreement will not result in a breach of or default under Bullseye's constitution or any agreement or deed or writ, order or injunction, rule or regulation to which Bullseye 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 Bullseye's knowledge, having made reasonable enquiries, it has complied with its continuous disclosure obligations under the Corporations Act;
- (e) Bullseye 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) except as disclosed by Bullseye to Emerald in writing prior to the date of this agreement, there is no litigation, claim, action or proceeding pending or in progress or threatened against or relating to any member of the Bullseye Group that does or is reasonably likely to constitute a Bullseye Material Adverse Change;
- (h) except as disclosed by Bullseye to Emerald in writing prior to the date of this agreement, all material leases and permits held by, or on behalf of, Bullseye or any Subsidiary of Bullseye are in good standing and Bullseye and its Subsidiaries are in compliance with the conditions of such leases and permits and the applicable mining legislation in all material respects and, as far as Bullseye 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 Bullseye to Emerald in writing prior to the date of this agreement; and
- (j) as at the date of this agreement, Bullseye 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 Bullseye 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 agreement.

Fully paid ordinary shares	389,017,192
Convertible Notes ¹ – combined face value as at 1 December 2021	\$8,304,056

Notes

1. Comprising:

- (a) 4 Convertible Notes, with a combined face value at 1 December 2021 of \$375,513, an interest rate of 10% per annum, maturing between the period of 11 December 2022 and 9 February 2022 and convertible into shares at a conversion price of \$0.25;
- (b) 17 Convertible Notes, with a combined face value at 1 December 2021 of \$3,976,760, an interest rate of 15% per annum, maturing between the period of 10 April 2022 and 26 November 2022 and convertible into shares at a conversion price of \$0.23; and
- (c) 16 Convertible Notes, with a combined face value at 1 December 2021 of \$3,951,783, an interest rate of 15% per annum, maturing between the period of 2 June 2022 and 6 November 2022 and convertible into shares at a conversion price of \$0.25.

The Convertible Notes are presently convertible into a total of 34,599,445 shares.

- 2. At 1 December 2021, Bullseye has \$1,897,392 in an unsecured loan outstanding which has an interest rate of 8% per annum and is convertible into shares at the election of the lender on or before the maturity date of 31/12/2021, at a conversion price of \$0.20.

3. At 1 December 2021, Bullseye has \$2,133,800 in an unsecured loan outstanding which has an interest rate of 8% per annum and is convertible into shares at the election of the lender on or before the maturity date of 31/12/2021, at a conversion price of \$0.26.
4. At 1 December 2021, Bullseye has \$1,385,427 in a secured loan outstanding which has an interest rate of 10% per annum and is convertible into shares at the election of the lender on or before the maturity date of 31/12/2021, at a conversion price of \$0.22.

The loans outlined in 3, 4 and 5 above are presently convertible into a total of 23,991,278 shares.

9. TERMINATION

9.1 Termination rights

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

- (a) if the other party is in material breach of this agreement 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;
- (b) if Emerald 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 8 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;
- (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;
- (e) if the other party or any of their Subsidiaries becomes Insolvent; or
- (f) a majority of Bullseye's directors, having recommended the Takeover Bid, withdraw their recommendation of the Takeover Bid.

9.2 Termination by Emerald

This agreement may be terminated by Emerald by notice in writing to Bullseye if:

- (a) a Superior Proposal is made or publicly announced for Bullseye by a third party;
- (b) a director of Bullseye does not recommend the Takeover Bid be accepted by Bullseye Shareholders or having recommended the Takeover Bid, withdraws or adversely modifies his or her recommendation of the Takeover Bid;
- (c) a person (other than Emerald or its Associates) has a Relevant Interest in more than 20% of the Bullseye Shares on issue (other than existing Bullseye Shareholders who at the date of this agreement hold a Relevant Interest in more than 20% of the Bullseye Shares on issue); or

(d) a Bullseye Material Adverse Change or a Prescribed Occurrence occurs.

9.3 Termination by Bullseye

This agreement may be terminated by Bullseye by notice in writing to Emerald if:

- (a) an Emerald Material Adverse Change has occurred; or
- (b) a majority of the Bullseye Directors recommend a Superior Proposal, provided always that clause 6 has been complied with.

9.4 Effect of termination

If this agreement is terminated by a party under this clause 9:

- (a) each party will be released from its obligations under this agreement except that clauses 1, 7, 9, 11, 13 and 14 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 agreement; and
- (c) in all other respects, all future obligations of the parties under this agreement will immediately terminate and be of no further force or effect, including, without limitation, any further obligations in respect of the Takeover Bid.

10. ANNOUNCEMENT OF TAKEOVER BID

10.1 Public announcement of Takeover Bid

Immediately after signing this agreement, the parties must procure the issue by Emerald to ASX of an announcement in the form agreed between the parties.

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

10.3 Other announcements

Subject to clause 10.1 and 10.2 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.

11. CONFIDENTIAL INFORMATION OBLIGATIONS

11.1 Disclosure of Emerald Confidential Information

No Emerald Confidential Information may be disclosed by Bullseye to any person except:

- (a) Representatives of Bullseye or its Related Bodies Corporate requiring the information for the purposes of this agreement;
- (b) with the written consent of Emerald;
- (c) if Bullseye is required to do so by law; or
- (d) if Bullseye is required to do so in connection with legal proceedings relating to this agreement.

11.2 Use of Emerald's Confidential Information

Bullseye must use Emerald'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 Emerald's Confidential Information to the competitive disadvantage of Emerald or any of its Related Bodies Corporate).

11.3 Disclosure of Bullseye Confidential Information

No Bullseye Confidential Information may be disclosed by Emerald to any person except:

- (a) Representatives of Emerald requiring the information for the purposes of this agreement;
- (b) with the written consent of Bullseye;
- (c) if Emerald is required to do so by law or by the Listing Rules; or
- (d) if Emerald is required to do so in connection with legal proceedings relating to this agreement.

11.4 Use of Bullseye Confidential Information

Emerald must use the Bullseye 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 Bullseye Confidential Information to the competitive disadvantage of Bullseye or any of its Subsidiaries).

11.5 Disclosure by recipient of Confidential Information

Any party disclosing information under clause 11.1(a) or 11.1(b) or 11.3(a) or 11.3(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 11.1 or 11.3.

11.6 Excluded Information

Clauses 11.1 to 11.5 (inclusive) do not apply to the Excluded Information.

11.7 Return of Confidential Information

A party who has received Confidential Information from another under this agreement must, on the request of the other party, immediately 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 11.1(a) or 11.1(b) or 11.3(a) or 11.3(b).

11.8 Termination

This clause 11 will survive termination (for whatever reason) of this agreement.

11.9 Termination of existing Confidentiality Agreement

The terms of this clause 11 supersede and replace the obligations of confidentiality set out in the Confidentiality Agreement to the extent of any inconsistency.

12. NOTICES AND OTHER COMMUNICATIONS

12.1 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 12.2 (or such other address nominated in accordance with clause 12.3).

12.2 Details

The initial address of the parties shall be as follows:

Party	Address	Attention	E-mail
Emerald	1110 Hay Street West Perth, Western Australia 6005	Morgan Hart	mhart@emeraldresources.com.au
Bullseye	C/- Aspen Corporate Pty Ltd, Level 2 102 Beaufort Street Perth WA 6000	Peter G Burns	peter.burns@bullseyeminig.com.au

With a copy of communications to Emerald to Brett Dunnachie (E-mail: bdunnachie@emeraldresources.com.au), Jonathan Murray (E-mail: jmurray@steinpag.com.au) and Ben Purser (E-mail: bpurser@steinpag.com.au), and a copy of communications to Bullseye (for information purposes only) to Mark Burchnall (E-mail: mburchnall@mphilawyers.com.au) and Paul Cavanagh (E-mail: pcavanagh@mphilawyers.com.au).

12.3 Change of Address

Each party may from time to time change its address by giving notice pursuant to clause 12.1 to the other party.

12.4 Receipt of notice

Any notice given pursuant to this clause 12 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 by e-mail, when a delivery confirmation report is received by the sender which records the time that the e-mail was delivered to the addressee's e-mail address (unless the sender receives a delivery failure notification indicating that the e-mail has not been delivered to the addressee),

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.

13. GOODS AND SERVICES TAX (GST)

13.1 Consideration does not include GST

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

13.2 Recovery of GST

If a supply under this agreement 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.

13.3 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.

13.4 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.

13.5 Reimbursement

If a party is entitled to be reimbursed or indemnified under this agreement, 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.

13.6 Survival

This clause 13 will survive termination of this agreement.

14. MISCELLANEOUS**14.1 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 agreement expressly states otherwise.

14.2 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.

14.3 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 agreement.

14.4 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.

14.5 Conflict of interest

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

14.6 Remedies cumulative

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

14.7 Variation and waiver

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

14.8 No merger

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

14.9 Indemnities

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

14.10 Further steps

Each party agrees, at its own expense, to do anything the other party reasonably asks (such as obtaining consents, signing, and producing documents and getting documents completed and signed):

- (a) to bind the party and any other person intended to be bound under this agreement; or
- (b) to show whether the party is complying with this agreement.

14.11 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 agreement or any part of it.

14.12 Costs

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

14.13 Duty

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

14.14 Assignment

A party may not assign or otherwise deal with its rights under this agreement or allow any interest in them to arise or be varied in each case, without the prior written consent of the other party.

14.15 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 agreement, except for representations or inducements expressly set out in this agreement;
- (b) it does not enter into this agreement 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 agreement; and
- (c) clauses 14.15(a) and 14.15(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, in the case of Emerald, ASX).

14.16 Governing law

This agreement is governed by and is to be construed according to the laws of Western Australia. Each party submits to the non-exclusive jurisdiction of the courts of Western Australia.

14.17 Counterparts

This agreement may be executed in counterparts. All counterparts when taken together are to be taken to constitute one instrument.

14.18 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.

SCHEDULE 1 – TIMETABLE

Date	Event
7 December 2021	Announcement Date
7 December 2021	Lodgement Date Date Emerald lodges Bidder's Statement with ASIC and serves it on Bullseye and ASX
7 December 2021	Register Date Date set by Emerald pursuant to section 633(3) of the Corporations Act
9 December 2021	Offer Date Emerald despatch the Bidder's Statement to Bullseye Shareholders
20 December 2021	Date Bullseye lodges Target's Statement with ASIC and serves it on Emerald and ASX
20 December 2021	Bullseye despatch the Target's Statement to Bullseye Shareholders.
10 January 2022	Offer Period ends (unless extended in accordance with the Corporations Act)

SCHEDULE 2 – BID CONDITIONS

The Offer, and any contract resulting from acceptance of the Offer, are subject to the following conditions:

1. Minimum Acceptance

At or before the end of the Offer Period, Emerald has a Relevant Interest in the number of Bullseye Shares that represents at least 90% of the aggregate of all the Bullseye 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 Regulatory Authority;
- (b) no application is made to any Regulatory Authority (other than by Emerald or any associate of Emerald);
- (c) no action or investigation is announced, commenced, or threatened by any Regulatory 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 Emerald's intentions expressed in the Bidder's Statement) or which requires the divestiture by Emerald of any Bullseye shares or Bullseye listed options or any material assets of the Bullseye 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

Other than in relation to the Excluded Agreements, 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, 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 as a result of the Takeover Bid,

any right under any provision of any agreement or other arrangement to which any member of the Bullseye Group is a party or to which any member of the Bullseye Group or any of its assets or businesses may be subject, which results in, or could result in:

- (c) any moneys borrowed by any member of the Bullseye Group being or becoming repayable or being declared repayable immediately or earlier than the repayment date provided for in such agreement or arrangement;
- (d) any such agreement or arrangement that imposes or may impose obligations or liabilities on any party of more than \$750,000 per annum or more than \$750,000 in total or that is otherwise material to the business of the Bullseye Group being terminated or modified or not renewed or the performance of any obligations under any such agreement or arrangement being accelerated; or
- (e) any assets of any member of the Bullseye Group, including any interest of any member of the Bullseye 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 Bullseye Group and Emerald 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 Bullseye Group (other than the Blue Cap JV or involving that entity, and other than in connection with an Excluded Arrangement):

- (f) announces, declares, determines to pay, makes or pays any dividend or other distribution (whether in cash or in specie);
- (g) incurs capital expenditure exceeding \$750,000 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 \$750,000;
- (h) 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 Bullseye Group for all such acquisitions or disposals does not exceed \$750,000 or enters into, or terminates any participation in, any partnership, joint venture or similar commitment;
- (i) borrows an amount which when combined with all other amounts borrowed since the Announcement Date exceeds \$750,000 or enters into any swap, option, futures contract, forward commitment or other derivative transaction;
- (j) 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 Bullseye Group in excess of \$750,000 or is otherwise of material importance to the business of the Bullseye Group;
- (k) 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 Bullseye Group; or
- (ii) have a material adverse impact on the business conducted by the Bullseye Group;
- (l) 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 Bullseye;
- (m) other than in the ordinary course of business and consistent with past practice, Bullseye 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 Bullseye Group, whether in one or more transactions, where the amounts or value involved in such transaction or transactions, commitments or series of commitments exceeds \$750,000 in aggregate;
- (n) pays or agrees to pay the costs and expenses of all advisers to Bullseye Group in connection with the Takeover Bid where such costs and expenses exceed \$250,000;
- (o) 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);
- (p) increases the remuneration of, makes any bonus payment, retention payment or termination payment to, or otherwise changes the terms and conditions of employment of:
 - (q) any directors of Bullseye; or
 - (r) any employee of any member of the Bullseye Group whose total employment cost exceeds \$250,000.
- (s) issues any securities convertible into Bullseye Shares;
- (t) 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;
- (u) commences, compromises or settles any litigation or similar proceedings for an amount exceeding \$750,000;
- (v) becomes Insolvent; or
- (w) agrees, conditionally or otherwise, to do any of the things referred to in paragraphs (i) to (xv) above, or announces or represents to any person that any of those things will be done,

unless the doing of that thing was with the prior written consent of Emerald or otherwise fairly disclosed to Emerald by Bullseye before the date of this agreement.

6. No Bullseye Material Adverse Change

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

SCHEDULE 3 – PRESCRIBED OCCURRENCES

- (a) Bullseye converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act.
- (b) Bullseye or a Subsidiary resolves to reduce its share capital in any way.
- (c) Bullseye 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) Bullseye or a Subsidiary issue shares, or grant an option over its shares, or agrees to make such an issue or grant such an option, other than upon conversion of existing convertible securities or other instruments on issue or in existence prior to the date of this agreement.
- (e) Bullseye or a Subsidiary issues, or agrees to issue, convertible notes.
- (f) Bullseye or a Subsidiary disposes, or agrees to dispose, of the whole or a substantial part of its business or property, other than in relation to an Excluded Arrangement.
- (g) Bullseye or a Subsidiary grants, or agrees to grant, a security interest in the whole, or a substantial part, of its business or property, other than in relation to an Excluded Arrangement.
- (h) Bullseye or a Subsidiary resolves to be wound up.
- (i) A liquidator or provisional liquidator of Bullseye or a Subsidiary is appointed.
- (j) A court makes an order for the winding up of Bullseye or a Subsidiary.
- (k) An administrator of Bullseye or a Subsidiary is appointed under section 436A, 436B or 436C of the Corporations Act.
- (l) Bullseye 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 Bullseye or a Subsidiary.

EXECUTED by the parties as an agreement.

EXECUTED by EMERALD RESOURCES NL)
ACN 009 795 046)
in accordance with section 127 of the)
Corporations Act 2001 (Cth):)

Signature of director

Signature of director/company secretary*

Name of director

Name of director/company secretary*

*please delete as applicable

EXECUTED by)
BULLSEYE MINING LIMITED)
ACN 118 341 736)
in accordance with section 127 of the)
Corporations Act 2001 (Cth):)

Signature of director

Signature of director/company secretary*

Name of director

Name of director/company secretary*

*please delete as applicable