



Market Announcements Office  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000

Dear Sir / Madam

**New Century Resources Limited (ASX: NCZ) – Takeover offer from Sibanye Resources Australia Pty Ltd**

We attach, as required by item 14 of section 633(1) of the *Corporations Act 2001* (Cth), a copy of the target's statement (**Target's Statement**) of New Century Resources Limited (ACN 142 165 080) (**New Century**) in response to the off-market takeover bid by Sibanye Resources Australia Pty Ltd (ACN 665 669 689) (**Sibanye Australia**), a wholly owned subsidiary of Sibanye-Stillwater Limited (**Sibanye**), for all the ordinary shares in New Century that Sibanye does not own.

The Target's Statement has been sent to Sibanye Australia and lodged with the Australian Securities & Investments Commission today. The Target's Statement will be sent to New Century shareholders by the following means:

- 1 New Century shareholders who have nominated an electronic address for the purposes of receiving electronic copies of shareholder communications will receive an email with a link to an electronic copy of the Target's Statement; and
- 2 New Century shareholders who have not nominated an electronic address for the purposes of receiving electronic copies of shareholder communications will receive a letter from New Century to their registered postal address, which will contain details of a link to an electronic copy of the Target's Statement.

New Century shareholders may also request a hard copy of the Target's Statement be sent to them (if in Australia, by pre-paid ordinary post or by courier, or, if outside Australia, by pre-paid airmail post or by courier) by contacting the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

Authorised for release by the Board of Directors of New Century.

# TARGET'S STATEMENT



THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. YOU SHOULD READ ALL OF THE DOCUMENT. IF YOU ARE IN DOUBT AS TO WHAT YOU SHOULD DO, YOU SHOULD CONSULT YOUR INVESTMENT, FINANCIAL, TAXATION OR OTHER PROFESSIONAL ADVISER.

New Century Resources Limited is currently the subject of an off-market takeover offer, being the conditional cash takeover offer by Sibanye Resources Australia Pty Ltd, an indirect wholly-owned subsidiary of Sibanye-Stillwater Limited (the "Offer"). As required by the Corporations Act, this Target's Statement has been issued in response to the Offer.

**The New Century Board unanimously recommends that you ACCEPT the Offer in the absence of a competing proposal.**

IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT THE NEW CENTURY SHAREHOLDER INFORMATION LINE ON (03) 9070 3300 (WITHIN AUSTRALIA) OR +61 3 9070 3300 (OUTSIDE AUSTRALIA), MONDAY TO FRIDAY BETWEEN 9.00AM AND 5.00PM (SYDNEY TIME).

Financial Adviser



Legal Adviser

**Allens & Linklaters**

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## Important Notices

### Nature of this Document

This document is a Target's Statement dated 17 March 2023 given by New Century Resources Limited (ACN 142 165 080) (**New Century**) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover bid made by Sibanye Resources Australia Pty Ltd (ACN 665 669 689) (**Sibanye Australia**) for all the ordinary shares in New Century.

### ASIC and ASX Disclaimer

A copy of this Target's Statement has been lodged with ASIC and given to the ASX. None of ASIC, ASX or any of their respective officers takes any responsibility for the contents of this Target's Statement.

### Defined Terms and Interpretation

Capitalised terms used in this Target's Statement are defined in Section 10.1 (*Definitions*). In addition, unless the contrary intention appears or the context requires otherwise, words and phrases used in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

Section 10.2 (*Interpretation*) also sets out some rules of interpretation that apply to this Target's Statement.

### No Account of Personal Circumstances

This Target's Statement and the recommendations and other information contained in it do not constitute financial product advice. The recommendations and other information contained in this Target's Statement should not be taken as personal, financial or taxation advice, as each Shareholder's deliberations and decision will depend upon their own financial situation, tax position, investment objectives and particular needs.

It is important that you read this Target's Statement in its entirety before making any investment decision and any decision relating to the Offer. The New Century Board encourages you to obtain independent advice from your investment, financial, taxation or other professional adviser before making a decision whether or not to accept the Offer.

### Forward Looking Statements

Some of the statements appearing in this Target's Statement are forward looking statements. All statements other than statements of historical fact are forward looking statements and generally may be identified by the use of forward looking words such as "believe", "aim", "expect", "anticipate", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words. Shareholders should note that those forward looking statements are only predictions and are inherently subject to uncertainties, in that they may be affected by a variety of known and unknown risks, variables and other important factors, many of which are beyond the control of New Century. Actual values or results, performance or achievements may differ materially from those expressed or implied by such statements. The risks, variables and other factors that may affect the forward looking statements include matters specific to the industry in which New Century operates as well as general economic and financial market conditions; legislative, fiscal or

regulatory developments; the price performance of New Century Shares, commodity price fluctuations, input price fluctuations, currency fluctuations, actual demand, geotechnical factors, political conditions in various countries, approvals and cost estimates, operating results including the risk of possible price decline in the absence of the Offer or other takeover or merger speculation; and risks associated with the business and operations of New Century. Further information can be found in Section 5 (*Risks Associated with an Investment in New Century*).

None of New Century, its Subsidiaries or any of their respective officers and employees, or any person named in this Target's Statement with their consent, or any person involved in the preparation of this Target's Statement, makes any representation or warranty (express or implied) or gives any assurance 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 statements, except to the extent required by law. You are cautioned not to place undue reliance on any such statement.

The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement. Subject to any continuing obligations under the ASX Listing Rules or the Corporations Act, New Century and its officers disclaim any obligation or undertaking to update or revise any forward looking statements to reflect any change in expectations in relation to them or any change in events, conditions or circumstances on which any forward looking statement is based.

### Resources Disclosure

The Company estimates its Mineral Resources and Ore Reserves in accordance with the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (**JORC Code**), which governs such disclosures by companies listed on the ASX.

The information in this Target's Statement with respect to production targets and forecast financial information for the Mt Lyell Copper Mine was first reported by the Company to ASX on 23 January 2023 and is available at the New Century website ([www.newcenturyresources.com](http://www.newcenturyresources.com)). The Company confirms that all material assumptions underpinning the production target and forecast financial information derived from the production target continue to apply and have not materially changed.

The information in this Target's Statement relating to the Mineral Resource estimate for:

- the Mt Lyell Copper Mine was first released by the Company to the ASX on 27 October 2021;
- the Silver King deposit was first released by the Company to ASX on 15 September 2021;
- the South Block deposit was first released by the Company to ASX on 15 January 2018;
- the East Fault Block deposit was first released by the Company to ASX on 25 June 2019;
- the Watson's Lode deposit was first released by the Company to ASX on 2 September 2021; and
- the Century tailings deposit was first released by the Company to ASX on 12 September 2017. The Century tailings deposit has been updated annually for mining depletion since the original market announcement was released.

Each of the original market announcements referred to above is available at the New Century website ([www.newcenturyresources.com](http://www.newcenturyresources.com)).

The information in this announcement relating to the Ore Reserve estimate for:

- the Mt Lyell Copper Mine was first released by the Company to ASX on 2 June 2022; and
- the Century tailings, Silver King and East Fault Block deposits was first released by the Company to ASX on 15 September 2021.

Each of the original market announcements referred to above is available at the New Century website ([www.newcenturyresources.com](http://www.newcenturyresources.com)).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. The Mineral Resource and Ore Reserve estimates underpinning the production targets disclosed in this announcement have been prepared by a Competent Person (as defined in the JORC Code) in accordance with the requirements of the JORC Code.

#### Effect of Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to rounding. Accordingly, the actual calculation of these figures, amounts, percentages, prices, estimates, calculations of value and fractions may differ from the figures, amounts, percentages, prices, estimates, calculations of value and fractions set out in this Target's Statement. Discrepancies between totals in tables and or in calculations are due to rounding.

#### Disclaimer as to Information about Sibanye and Sibanye Australia

The information in this Target's Statement about Sibanye and Sibanye Australia has been compiled from or is otherwise based on information obtained from public sources, and has not been independently audited or verified by New Century or its advisers. If the information obtained from publicly available sources is inaccurate or incomplete, this may affect the information included in this Target's Statement. Accordingly, New Century does not, subject to the Corporations Act, make any representation or warranty (express or implied) as to the accuracy or completeness of any information in relation to Sibanye or Sibanye Australia. In particular, if the information has been used as the basis for forward looking statements in this Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those expressed or implied by the forward looking statements.

#### Foreign Jurisdictions

The release, publication or distribution of this Target's Statement in jurisdictions other than Australia may be restricted by law or regulation in such other jurisdictions and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply

with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance with the laws and regulations outside Australia.

#### Diagrams and Charts

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date of this Target's Statement.

#### Websites are not part of this Target's Statement

Any website links in this Target's Statement are for your reference only. Information contained in, or otherwise accessible from, those websites does not form part of this Target's Statement.

#### Privacy

New Century has collected your information from the New Century Share Register for the purpose of providing you with this Target's Statement. The type of information New Century has collected about you includes your name, contact details and information on your shareholding (as applicable) in New Century. Without this information, New Century would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to external service providers (including the New Century Share Registry and print and mail service providers) and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by New Century, please contact the New Century Share Registry on 1300 288 664 (within Australia) or +61 2 9698 5414 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney).

#### New Century Shareholder Information Line

New Century has established the New Century Shareholder Information Line, which New Century Shareholders may call if they have any queries in relation to the Offer. The telephone number for the New Century Shareholder Information Line is (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time). Calls to the New Century Shareholder Information Line may be recorded.

#### Risk Factors

New Century Shareholders should note that there are a number of risks that they should have regard to before deciding how to respond to the Offer. Further information about those risks can be found in Section 5 (*Risks Associated with an Investment in New Century*) of this Target's Statement.

## Your Choices in Relation to the Offer

You should read this Target's Statement in full as it will assist you in making an informed decision on whether or not to accept the Offer.

If you have any questions, please call the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

### ACCEPT

To accept the Offer, return your completed Acceptance Form before the end of the Offer Period.

To validly accept the Offer for your New Century Shares, your acceptance must be received before 7.00pm (Sydney time) on 11 April 2023, unless otherwise withdrawn or extended.

### REJECT

To reject the Offer, you do not need to take any action (although see the other options below).

If you reject the Offer, you may:

- (i) do nothing, and retain your New Century Shares; or
- (ii) hold or sell some or all of your New Century Shares.

You should note that if Sibanye acquires more than 90% of the issued capital of New Century, your shares may be subject to compulsory acquisition.

## Key Dates

Offer announced and Sibanye Bidder's Statement lodged with ASIC and the ASX	21 February 2023
Completion of despatch of Sibanye Bidder's Statement	7 March 2023
Offer Period opens	7 March 2023
Date of this Target's Statement	17 March 2023
Offer Period closes – 7.00pm (Sydney time)	11 April 2023*
Payment to Shareholders who accept the Offer	<p>The earlier of:</p> <ul style="list-style-type: none"> <li>the day one month after acceptance of the Offer (or if the Offer is subject to the Defeating Condition, one month after acceptance of the Offer becomes unconditional); and</li> <li>the day which is 21 days after the end of the Offer Period.</li> </ul>

\* unless the Offer Period is extended or the Offer is withdrawn in accordance with the Corporations Act

## Chairman's Letter

17 March 2023

Dear New Century Shareholder,

On 21 February 2023, Sibanye Resources Australia Pty Ltd (**Sibanye Australia**) an indirect wholly-owned subsidiary of Sibanye-Stillwater Limited (**Sibanye**) announced it was making a conditional off-market takeover bid for all the issued shares of New Century Resources Limited (**New Century**) for cash consideration of \$1.10 per Share. The offer price is stated to be **best and final in the absence of a competing proposal**.

**The New Century Board unanimously recommends that you ACCEPT the Offer in the absence of a competing proposal.**

Sibanye has been a substantial shareholder in New Century since 3 November 2021 and prior to announcement of the Offer, Sibanye had held a 19.9% interest in New Century.

A summary of the material terms of the Offer are set out in the table below:

Item	Offer
Form of consideration	Cash
Offer consideration	\$1.10 per Share in cash
Defeating Condition	Subject to the fulfilment of the Defeating Condition only, that is that none of the prescribed occurrence events occurs. See Section 6.6 ( <i>Sibanye's Offer is conditional</i> ) of this Target's Statement and Section 7.11 ( <i>Defeating Condition</i> ) of the Sibanye Bidder's Statement
Offer Period opens	7 March 2023
Offer Period closes	7.00pm (Sydney time), 11 April 2023 unless otherwise withdrawn or extended
Date for payment / issue of offer consideration	The earliest of: <ul style="list-style-type: none"> <li>while the Offer remains subject to the Defeating Condition, one month after the Offer becomes unconditional;</li> <li>if the Defeating Condition is fulfilled or waived by Sibanye Australia prior to close of the Offer, one month after the relevant New Century shareholder accepts the Offer; and</li> <li>the day which is 21 days after the end of the Offer period.</li> </ul>

Control of New Century has already passed to Sibanye and its associates. On 23 February 2023, Sibanye announced that it had acquired a Relevant Interest in 67,687,838 New Century Shares representing 51.41% of the Shares on issue. These Shares were acquired in on-market trades prior to open of the Offer. As at the Last Practicable Trading Date, Sibanye has a Relevant Interest in 78.31% of the Shares on issue.<sup>1</sup> Sibanye Australia has confirmed that, as at the date of this Target's Statement, it intends to continue to include an open order in the market to acquire New Century shares on-market at the Offer price.

<sup>1</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.



You should now have received the Sibanye Bidder's Statement setting out the terms of the Offer.

This Target's Statement is required by the Corporations Act and contains:

- the recommendation of the New Century Board in respect of the Offer;
- the reasons for that recommendation; and
- other important information you should consider when deciding whether to accept or reject the Offer.

**The New Century Board unanimously recommends that you ACCEPT the Offer in the absence of a competing proposal. As at the date of this Target's Statement, the Board confirms it has not received any competing proposals.**

After careful consideration by the New Century Board and its advisers, the New Century Board unanimously recommends that Shareholders accept the Offer in the absence of a competing proposal. The New Century Board has made this recommendation for the following reasons:

- 1 The Offer is stated to be best and final in the absence of a competing proposal, and subject to the Defeating Condition.
- 2 Sibanye has already acquired a Relevant Interest in 78.31% of New Century as at the Last Practicable Trading Date and therefore control of the Company.<sup>2</sup> In these circumstances the Board considers it unlikely that a competing proposal will be forthcoming. The Board confirms it has not received any competing proposals.
- 3 The Offer delivers certain value in the form of cash consideration and importantly a liquidity opportunity for New Century shareholders.
- 4 It is uncertain as to whether Sibanye and its associates will reach the 90% threshold required to compulsorily acquire all outstanding shares in New Century. If Sibanye and its associates do not achieve compulsory acquisition:
  - Sibanye Australia has stated that it intends to cause New Century to apply to the ASX for removal from the official list as soon as it is in a position to do so, subject to meeting ASX's requirements;
  - any remaining New Century shareholders are likely to face significantly reduced share trading liquidity following the expiry of the Offer and may have difficulty realising a price equivalent to the price offered under the Offer or current market prices; and
  - Sibanye may, at some later time, acquire further New Century securities in a manner consistent with the Corporations Act (for example, as a result of acquisitions of New Century Shares in reliance of the '3% creep' exception) and may ultimately achieve compulsory acquisition at a lower price than the Offer.
- 5 The Offer represents a premium of:
  - 42.9% to the trading price of New Century shares on the ASX at the close of trading on 20 February 2023, being the last trading day prior to the Offer being announced;
  - 21.5% to the one-month VWAP of New Century shares to 20 February 2023; and
  - 20.6% to the three-month VWAP of New Century shares to 20 February 2023.

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<sup>2</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.



- 6 Recent weather events have created a production shortfall that is likely to impact on the Company's short term liquidity position.
- 7 As noted in the half-year accounts to 31 December 2022,<sup>3</sup> a material uncertainty exists that may cast significant doubt on New Century's ability to continue as a going concern as a standalone entity.
- 8 The Offer allows you to avoid brokerage costs.

**All of the New Century Directors encourage you to consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your New Century Shares.**

**What to do if you wish to accept the Offer**

The Offer is scheduled to close at 7.00pm (Sydney time) on 11 April 2023, unless withdrawn or extended.

To accept the Offer, please refer to the acceptance instructions set out in Section 7.6 (*How to accept this Offer*) of the Sibanye Bidder's Statement and in the Acceptance Form that accompanies the Sibanye Bidder's Statement.

The Offer is conditional on the Defeating Condition being fulfilled or waived by Sibanye Australia. New Century Shareholders who accept the Offer will receive payment for their New Century Shares on or before the earliest of:

- while the Offer remains subject to the Defeating Condition, one month after the Offer becomes unconditional;
- if the Defeating Condition is waived by Sibanye Australia prior to close of the Offer, one month after the relevant New Century Shareholder accepts the Offer; and
- the day which is 21 days after the end of the Offer Period.

This means that, if you accept into the Offer during the Offer Period the latest you will be paid is 21 days after the end of the Offer Period.


**Please read this Target's Statement and seek advice where appropriate**

Please read this Target's Statement and the Sibanye Bidder's Statement carefully, and in their entirety, as they will assist you in making an informed decision on whether or not to accept the Offer. If you are in any doubt as to what you should do, I encourage you to seek advice from independent and appropriately licensed financial, legal, taxation and other professional advisers before making your decision in relation to your New Century Shares.

If you have any questions in relation to the Offer or this Target's Statement, you may also contact the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

I also take this opportunity to thank you for your support of New Century.

Yours sincerely,



**Kerry Gleeson**  
Chairman  
New Century Resources Limited

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<sup>3</sup> See ASX release dated 27 February 2023 (*Half Yearly Report and Accounts*).

# 1 NEW CENTURY DIRECTORS' RECOMMENDATION AND REASONS

## 1.1 The New Century Directors unanimously recommend you **ACCEPT** the Offer in the absence of a competing proposal

The New Century Directors unanimously recommend that Shareholders accept the Offer in the absence of a competing proposal, for the reasons, and subject to the qualifications, in the rest of this Section 1 below.

## 1.2 The Offer is stated to be best and final in the absence of a competing proposal, and subject to the Defeating Condition

The Offer is stated to be best and final, and cannot be increased during the offer period, in the absence of a competing proposal. Further detail is set out below in Section 1.3 (*There is currently no competing proposal*).

The Offer is subject only to the Defeating Condition which is that no Prescribed Occurrences occur. As set out in Section 4.8 (*Capital structure*), Sibanye Australia has confirmed that it does not intend to rely on the issue of New Century Shares following the vesting and exercise of Performance Rights or Retention Rights as a reason for non-fulfilment of the Defeating Condition detailed in the Bidder's Statement. As at the date of this Target Statement, the Board is not aware of any other action of New Century which may mean that the Defeating Condition is not fulfilled.

## 1.3 There is currently no competing proposal and the Board considers it unlikely that a competing proposal will be forthcoming

Sibanye has already acquired a Relevant Interest in 78.31% of New Century as at the Last Practicable Trading Date and therefore control of the Company.<sup>4</sup> In these circumstances the Board considers it unlikely that a competing proposal will be forthcoming. Since 21 February 2023, New Century has not received any approaches which would cause it to believe that a competing proposal is likely to emerge.

You should note that the Directors' recommendation to accept of the Offer is subject to the absence of a competing proposal for your Shares. If a competing proposal arises, the Directors will reconsider their recommendation to accept the Offer and inform you accordingly.

## 1.4 The Offer delivers certain value in the form of cash consideration and importantly a liquidity opportunity for New Century shareholders

If you accept the Offer and the Offer becomes unconditional, you will obtain the certainty of receiving a cash payment of \$1.10 per Share. The certainty of the Offer should be compared to the risks and uncertainties of remaining a New Century Shareholder, which are covered in Section 5 (*Risks Associated with a continued Investment in New Century*) below.

As set out below, it is uncertain as to whether Sibanye and its associates will reach the 90% threshold required to compulsorily acquire all outstanding shares in New Century. If Sibanye and its associates do not achieve compulsory acquisition you may have limited liquidity in your New Century Shares for the reasons set out below in Section 1.5 (*Any New Century Shareholders remaining after close of the Offer are subject to a number of risks in respect of liquidity and compulsory acquisition*).

## 1.5 Any New Century Shareholders remaining after close of the Offer are subject to a number of risks in respect of liquidity and compulsory acquisition

It is uncertain as to whether Sibanye and its associates will reach the 90% threshold required to compulsorily acquire all outstanding shares in New Century. If you do not accept the Offer, maintaining your investment in

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<sup>4</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

New Century may also involve the following liquidity and compulsory acquisition risks, depending on the outcome of the Offer:

- Sibanye Australia has stated its intention to cause New Century to apply to the ASX for removal from the official list as soon as it is in a position to do so, subject to meeting the ASX's requirements. As Sibanye and its associates have acquired more than 75% of New Century, they are now in a position to pursue the proposed delisting of New Century. In the event that Sibanye and its associates including Sibanye Australia fail to reach the 90% compulsory acquisition threshold but do satisfy the ASX's requirements to delist New Century, then any remaining New Century shareholders would become shareholders in an unlisted company and may find it difficult to sell their shares, or to sell their shares at a price equal to the Offer Price.
- The Board believes that if the Offer is not successful, and no competing proposal emerges, then the New Century Share price may fall, given that the current price is well above the trading levels prior to the announcement of the Offer on 21 February 2023 (see Figure 1.1 below).
- The Shares acquired by Sibanye and its associates under the Offer will reduce the number of Shares that can be expected to be available for trading on ASX. Depending on the level of acceptances, this is likely to reduce the liquidity of Shares, and may adversely affect the price at which they might otherwise be expected to trade.
- Sibanye and its associates may, at some later time, acquire further New Century Shares in a manner consistent with the Corporations Act (for example, as a result of acquisitions of New Century Shares in reliance on the '3% creep' exception) and may ultimately achieve compulsory acquisition at a lower price than the Offer
- Sibanye and its associates are now the controlling shareholder in New Century with an interest of 78.31% as at the Last Practicable Trading Date.<sup>5</sup> Sibanye Australia's intentions for New Century are described in Section 3 (*Sibanye's Intentions*) of the Sibanye Bidder's Statement, but those intentions may change, particularly as a result of the general strategic review which Sibanye Australia states that it will undertake. If Sibanye and its associates do not obtain 90% and proceed with compulsory acquisition and you subsequently choose to dispose of your Shares after changes to the business are implemented, you may be doing so at a time when market conditions are less favourable than those prevailing at the date of this Target's Statement or the market has responded adversely to the actions taken following the outcome of the strategic review.
- If you choose not to accept the Offer, and if Sibanye becomes entitled to exercise compulsory acquisition rights upon acquiring a Relevant Interest in 90% or more of New Century Shares, and Sibanye Australia subsequently exercises those rights, you will be paid later than Shareholders who accept the Offer.

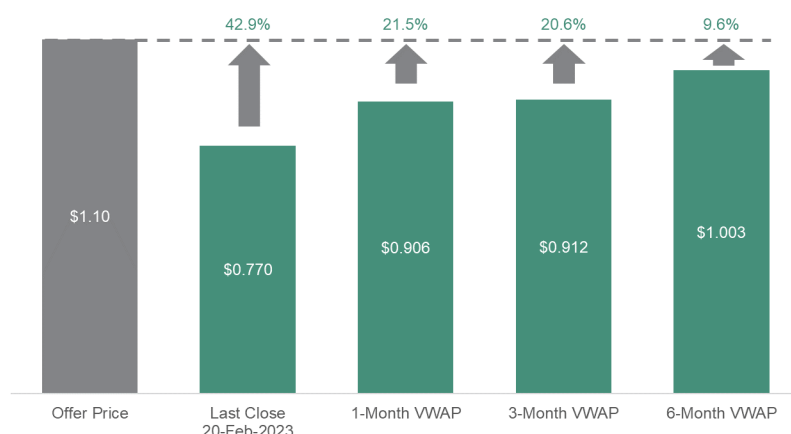
## 1.6 The Offer Price represents a significant premium to New Century's recent trading price

The Offer Price for the Offer represents a significant premium to the levels at which New Century Shares were trading up to and including 20 February 2023, being the last full trading day prior to Offer. The Offer Price for the Offer represents a:

- 42.9% premium to New Century's closing price of \$0.77 on 20 February 2023;
- 21.5% premium to New Century's one-month VWAP of \$0.906 up to and including 20 February 2023;
- 20.6% premium to New Century's three-month VWAP of \$0.912 up to and including 20 February 2023; and
- 9.6% premium to New Century's six month VWAP of \$1.003 up to and including 20 February 2023.

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<sup>5</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.



**Figure 1.1 – Value of the Offer compared to historical trading prices (\$ per Share)**

## 1.7 Recent weather events have created a production shortfall that is likely to impact on the Company's short term liquidity position

As advised by ASX Announcements released on 9 March 2023 and 17 March 2023, recent rainfall events in Northwest Queensland have impacted operations at the Century Operation (Century) and Karumba Port Facility. Century has received 1,756mm of rainfall this financial year, including 752mm in March 2023 to date alone. This is significantly above the average annual rainfall at Century of 568mm, and the previous record annual rainfall of 1,290mm in 2011. The extremely high rainfall has cut off access to Century by road, impacting deliveries to site of production consumables.

Recovery efforts are progressing well, however production and non-essential activities remain suspended while dewatering operations continue. The Company does not expect to recommence production for two to three weeks, at which time hydraulic mining activities are expected to operate at approximately 75% of nominal capacity, with a return to normal production levels not expected until mid-to-late April. Given the challenging conditions, the duration of the suspension is difficult to accurately predict and the current estimate is subject to no further significant rainfall events, the ongoing availability of infrastructure and gaining access to operational consumables.

The suspension of production and non-essential activities will impact production results for the current quarter. At this stage the production impact for the 2023 financial year is expected to be in the range of 15kt to 20kt of zinc metal.

The impact of this production shortfall is likely to impact New Century's short term liquidity position. As such, New Century is engaging with Sibanye and Sibanye Australia in respect of mitigating key operational and business risks, including short term liquidity issues. Sibanye and Sibanye Australia have confirmed that they are committed to working with New Century to ensure New Century remains in a position to pay its debts as and when they become due and payable and subject to agreement on legal documentation (including approval from the Sibanye and Sibanye Australia Boards of Directors and other relevant approvals), to providing or procuring a funding solution up to \$30 million, subject to New Century providing certain information.

## 1.8 A material uncertainty exists that may cast significant doubt on New Century's ability to continue as a going concern as a standalone entity

The Company faces a number of funding constraints, risks and challenges on a standalone basis.

Pursuant to the Century Environmental Bond Facility (**EBF**) with Argonaut Insurance Company and Macquarie Bank Ltd, New Century is required to amortise a further \$160 million under an agreed amortisation schedule with the first A\$10 million payment due on 3 April 2023 and the final completion date in April 2025. Amortisation of the EBF can be achieved through any combination of returning the environmental bonds to the issuing bank (including following a reduction of the underlying environmental bond liability) or lodging cash cover with the issuing bank.

There is no guarantee that New Century will generate sufficient profits from operations to meet its amortisation obligations under the EBF, assuming it is not replaced by an alternative mechanism or a renegotiated amortisation profile in due course. If New Century is unsuccessful in generating sufficient operating profits it will need to seek alternative coverage for the environmental bond obligations with the Queensland government (further detail is set out in Section 5.2(c) (*Future Capital Requirements*)).

As at the Last Practicable Trading Date, Sibanye has acquired a Relevant Interest in 78.31% of the total issued capital of New Century.<sup>6</sup> While Sibanye's intentions in respect of these matters, including the holding or replacement of the EBF, is unknown and Sibanye's general intentions remain subject to a general strategic review, the Board considers it possible that Sibanye's position as a controlling shareholder of New Century may provide New Century alternative options to address these matters. Although at this stage there is no certainty as to how Sibanye may exercise its rights as a controlling shareholder.

As New Century looks to restart copper production at the Mt Lyell Mine and expand Century through development of the Silver King and East Fault Block deposits (collectively the **Century Expansion Project**), the New Century Board anticipates that significant additional funding will be required for which committed finance has not been obtained as at the date of this Target's Statement. The EBF also contains certain limitations and restrictions that would need to be waived or amended by Argonaut Insurance Company and Macquarie Bank Ltd in order for the funding and development of the Century Expansion Project and the restart of the Mt Lyell Mine to proceed. There is no guarantee that such waivers or amendments, or that appropriate funding packages for these developments, will be obtained.

As disclosed in New Century's most recent half-year accounts, a net current asset deficiency and factors affecting New Century's ability to continue to access the EBF indicate that a material uncertainty exists that may cast significant doubt on New Century's ability to continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the half-year accounts. New Century Shareholders should have regard to the 'Operational Update – Century Mine and Karumba Port Facility' ASX Announcement released on 17 March 2023 regarding New Century's ongoing engagement with Sibanye and Sibanye Australia in relation to mitigating key operational and business risks, including short term liquidity issues.

On 22 February 2023, Sibanye announced it had increased its total shareholding and voting rights in New Century to 40.58%. Under the EBF, this constituted a change of control and therefore constitutes a 'Review Event'. Further detail is set out in Section 5.2(g) (*Compliance with debt facilities, mandatory hedging and credit risk*).

## 1.9 You can accept the Offer and sell your Shares with no brokerage costs

If you accept the Offer, you will not incur any brokerage charges or other transaction costs in selling your Shares under the Offer which may otherwise be incurred if you choose to sell your Shares on the ASX.

## 1.10 Other relevant considerations

Shareholders should also consider the following in deciding whether or not to retain their New Century Shares or to accept the Offer.

### (a) Forego future potential upside

While accepting the Offer may mean that New Century Shareholders will no longer be exposed to the risks and uncertainties associated with New Century's assets, it also puts a final and terminal value on their investment in New Century and means that Shareholders will forego any future potential upside associated with the development of New Century's assets, including the Century Expansion Project and the Mt Lyell Copper Mine restart.

### (b) Shareholders who do wish to sell their New Century Shares for cash may be able to do so on the ASX at prices above the Offer Price

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<sup>6</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

Since the Offer of \$1.10 per Share was announced on 21 February 2023, New Century Shares have occasionally traded above the Offer Price and, for those Shareholders who do wish to sell their Shares for cash, there may be an opportunity to sell their New Century Shares on the ASX at prices above the Offer Price. However, there is no certainty that prices on the ASX will exceed the Offer Price and with Sibanye's Relevant Interest now exceeding 78.31%, the Board of New Century considers that it is increasingly unlikely that the price on ASX will exceed the Offer Price.

(c) **There are risks to remaining a Shareholder in New Century**

In addition to the risks outlined in Section 1.5 (*Any New Century Shareholders remaining after close of the Offer are subject to a number of risks in respect of liquidity and compulsory acquisition*), there are a number of risks associated with remaining a New Century Shareholder. Section 5 (*Risks associated with a continued investment in New Century*) of this Target's Statement sets out the key risks which may affect the future performance of New Century and the value of New Century Shares.

## 2 FREQUENTLY ASKED QUESTIONS

This Section 2 answers some frequently asked questions about the Offer. It is not intended to address all issues relevant to New Century Shareholders. This Section 2 should be read together with all other parts of this Target's Statement.

Question	Answer
1 <b>What is the Sibanye Bidder's Statement?</b>	<p>The Sibanye Bidder's Statement is the document setting out the terms of the Offer. Sibanye Australia released a copy of the Sibanye Bidder's Statement on 21 February 2023 and despatched it to New Century Shareholders on 7 March 2023.</p> <p>A copy of the Sibanye Bidder's Statement is available on the New Century website (<a href="http://www.newcenturyresources.com">www.newcenturyresources.com</a>) and on the ASX website (<a href="http://www.asx.com.au">www.asx.com.au</a>).</p>
2 <b>What is this Target's Statement?</b>	<p>This Target's Statement has been prepared by New Century and provides New Century's response to the Offer, including the recommendation of the Directors to accept the Offer in the absence of a competing proposal.</p>
3 <b>What is Sibanye Australia offering for my New Century Shares?</b>	<p>Sibanye Australia is offering \$1.10 in cash for every New Century Share that you hold.</p>
4 <b>Do Sibanye and Sibanye Australia already have interests in New Century Shares?</b>	<p>As at close of trading on the Last Practicable Trading Date, Sibanye and its associates including Sibanye Australia held a Relevant Interest in 78.31% of New Century Shares and is the controlling shareholder in New Century.<sup>7</sup></p> <p>Sibanye and Sibanye Australia have acquired approximately 58.32% of New Century Shares between announcing the Offer on 21 February 2023 and the Last Practicable Trading Date through on-market acquisitions and acceptances under the Offer.</p>
5 <b>What are your Directors recommending?</b>	<p>The Directors unanimously recommend that you accept the Offer, in the absence of a competing proposal. The reasons for this recommendation are set out in Section 1 (<i>New Century's Directors' recommendation and Reasons</i>) of this Target's Statement. If there is a change in the Directors' recommendation or there are any material developments in relation to the Offer, the Directors will make appropriate supplementary disclosure.</p>
6 <b>What do the New Century Directors intend to do with their New Century Shares?</b>	<p>Each Director intends to accept the Offer in relation to those Shares held by them or in which they have a Relevant Interest, in the absence of a competing proposal. The Relevant Interests of the Directors in New Century Shares are set out in Section 7.3 (<i>Directors' interests and dealings in New Century securities</i>).</p>
7 <b>What choices do I have in response to the Offer?</b>	<p>As a Shareholder, you have three choices available in relation to the Offer. You can choose to:</p> <ul style="list-style-type: none"> <li>• accept the Offer;</li> <li>• sell your shares on the ASX (unless you have already accepted the Offer or any other offer for your Shares); or</li> </ul>

<sup>7</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.



	<ul style="list-style-type: none"> <li>• take no action.</li> </ul> <p>Refer to Section 3 (<i>Your Choices as a Shareholder in relation to the Offer</i>) for further details of the choices you have. If you are in any doubt as to what to do, you should consult with your investment, financial, taxation or other professional adviser.</p>
<b>8 How do I accept the Offer?</b>	<p>Details of how to accept the Offer are set out in Section 7.6 (<i>How to accept this Offer</i>) of the Sibanye Bidder's Statement and in the accompanying Acceptance Form.</p> <p>The Offer is open for acceptance during the Offer Period, which commenced on 7 March 2023 and ends at <b>7.00pm (Sydney time), on 11 April 2023</b>, unless it is withdrawn or the Offer Period is extended in accordance with the Corporations Act. If you choose to accept the Offer, then your acceptance must be received by Sibanye Australia before the end of the Offer Period. Instructions on how to accept the Offer are set out in the Sibanye Bidder's Statement and on the Acceptance Form that accompanies the Sibanye Bidder's Statement. If you want to accept the Offer, then you should follow these instructions carefully to ensure that your acceptance is valid.</p> <p>If your New Century Shares are in a CHESS holding and you want to accept the Offer, then you should give instructions to your broker in sufficient time before the end of the Offer Period to allow your broker to initiate your acceptance under the CHESS system. If your New Century Shares are in an issuer sponsored holding and you want to accept the Offer, then you should complete and deliver the Acceptance Form in sufficient time that it is received by Sibanye Australia before the end of the Offer Period.</p>
<b>9 When does the Offer close?</b>	<p>The Offer is currently scheduled to close at <b>7.00pm (Sydney time) on 11 April 2023</b>, unless withdrawn or extended. The Board of Directors will keep you informed if there are any material developments in relation to the Offer.</p> <p>New Century Shareholders are also encouraged to monitor the New Century website (<a href="http://www.newcenturyresources.com">www.newcenturyresources.com</a>) for any updates on the Offer.</p>
<b>10 If I accept the Offer now, can I withdraw my acceptance?</b>	<p>Once you accept the Offer, you will not be able to revoke your acceptance unless a withdrawal right exists or arises under the Corporations Act. A withdrawal right may arise if, after you have accepted the Offer and the Offer remains conditional, the Offer is varied in a way that postpones, for more than one month, the time by which Sibanye Australia must meet its obligations under the Offer. If that occurs, a notice will be sent to you at the relevant time that explains your rights to withdraw your acceptance of the Offer.</p>
<b>11 If I choose to accept the Offer, when will I receive my consideration?</b>	<p>If you accept the Offer, then Sibanye Australia will provide the consideration due to you for your Shares to which you are entitled under the Offer by the earliest of:</p> <ul style="list-style-type: none"> <li>• while the Offer remains subject to the Defeating Condition, one month after the Offer becomes unconditional;</li> <li>• if the Defeating Condition is waived by Sibanye Australia prior to close of the Offer, one month after the relevant New Century shareholder accepts the Offer; and</li> <li>• the day which is 21 days after the end of the Offer Period.</li> </ul> <p>Section 7.13 (<i>Payment of Consideration</i>) of the Sibanye Bidder's Statement describes in more detail the payment of consideration.</p>

12 <b>What are the tax implications of accepting the Offer?</b>	<p>A general outline of the tax implications of accepting the Offer for New Century Shareholders is set out in Section 8 (<i>Australian Taxation Considerations</i>).</p> <p>As the outline is a general outline only, you are encouraged to seek your own specific professional advice as to the taxation implications applicable to your circumstances.</p>
13 <b>What happens if the Offer Price is raised?</b>	<p>Sibanye Australia has declared the Offer Price to be best and final in the absence of a competing proposal. This means, unless a competing proposal is received by New Century, Sibanye Australia is not permitted to increase the Offer Price. As at the date of this Target's Statement, no competing proposal has emerged for New Century.</p> <p>If a competing proposal is received and Sibanye Australia decides to raise the Offer Price in the last 7 days of the Offer Period, the Offer Period will automatically be extended so that it ends 14 days after the date on which the Offer Price was raised.</p> <p>If you have already accepted the Offer and Sibanye Australia subsequently raises the Offer Price, then you will be entitled to the increased Offer Price (see also the response to question 11 above).</p> <p>The Board of Directors will carefully consider any revised Offer and advise you accordingly.</p>
14 <b>During the Offer Period, can I sell my New Century Shares on ASX?</b>	Yes. However, you cannot trade your Shares if you accept the Offer.
15 <b>What are the conditions of the Offer?</b>	The Offer is conditional on the Defeating Condition, which requires that none of the 'prescribed occurrences' set out in Section 7.11 ( <i>Defeating Condition</i> ) of the Sibanye Bidder's Statement occurring between the Announcement Date and the end of the Offer Period.
16 <b>What are the consequences of accepting the Offer now?</b>	<p>If you accept the Offer now, then you will not be able to sell your New Century Shares on-market or to any other bidder that may make a takeover offer, or deal with them in any other manner. You will not be able to participate in any competing proposal which may emerge.</p> <p>If you accept the Offer and a competing proposal emerges and Sibanye Australia subsequently raises its Offer Price, then you will receive the higher price for your New Century Shares.</p>
17 <b>What if there is a competing proposal?</b>	<p>If another competing proposal is received prior to the end of the Offer Period, then this will be announced to the ASX and the Directors will carefully consider the proposal and advise Shareholders of their recommendations.</p> <p>If you have already accepted the Offer, then you will not be able to participate in any competing proposal which may emerge.</p> <p>Refer to question 16 above for further information.</p>
18 <b>Is there likely to be a competing proposal from another party?</b>	As at the date of this Target's Statement, no competing proposal has emerged for New Century. Further detail is set out in Section 1.3 ( <i>There is currently no competing proposal</i> ).
19 <b>Can I accept the Offer for only some</b>	No. You can only accept the Offer for all of your New Century Shares, unless you hold the Shares as trustee or nominee for, or otherwise on account of, another person.

<b>of my New Century Shares?</b>	A person holding New Century Shares as trustee or nominee for, or otherwise on account of, another person should refer to Section 7.4 ( <i>Entitled to be registered as trustee or nominee</i> ) of the Sibanye Bidder's Statement.
20 <b>Who should I call if I have questions?</b>	You can contact the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time), or you can speak to your investment, financial, taxation or other professional adviser.
21 <b>Who are Sibanye and Sibanye Australia?</b>	<p>According to the Sibanye Bidder's Statement and publicly available information:</p> <ul style="list-style-type: none"> <li>• Sibanye Australia is a special purpose proprietary company limited by shares that was incorporated in Australia on 10 February 2023 for the purpose of acquiring the New Century Shares;</li> <li>• Sibanye Australia is an indirect wholly-owned subsidiary of Sibanye; and</li> <li>• Sibanye is a multinational mining and metals processing group with a diversified portfolio of mining and processing operations, projects and investments across five continents. Sibanye is listed on the Johannesburg Stock Exchange (JSE: SSW) and the New York Stock Exchange (NYSE: SBSW).</li> </ul> <p>Sections 1 (<i>Information on the Sibanye Group and Sibanye Australia</i>) and 3 (<i>Sibanye's Intentions</i>) of the Sibanye Bidder's Statement contain further information on Sibanye and Sibanye Australia, and Sibanye Australia's intentions in relation to New Century.</p>

### 3 YOUR CHOICES AS A SHAREHOLDER IN RELATION TO THE OFFER

You are encouraged to consider your personal risk profile, investment strategy, tax position and financial circumstances before making any decision in relation to your New Century Shares.

As a Shareholder, you currently have three choices available to you:

#### 3.1 Choice 1: Accept the Offer

You may choose to accept the Offer.

This is the approach recommended by the Directors for the reasons, and subject to the qualifications, set out in Section 1 (*New Century Directors' recommendation and Reasons*).

Details of the payment that you will receive if you accept the Offer are set out in Section 6.2 (*Offer Price*) as well as in the Sibanye Bidder's Statement.

The consequences of accepting the Offer are discussed in Section 6.9 (*Effect of acceptance*). If you accept the Offer, then you will not be able to participate in any other competing proposal which may emerge, and you will not be able to sell your New Century Shares on-market.

If you accept the Offer, then you may be liable for CGT or income tax as a result of your acceptance. An overview of the taxation consequences for Shareholders of selling their Shares under the Offer is provided in Section 8 (*Australian Taxation Considerations*).

The Offer is open for acceptance during the Offer Period, which commenced on 7 March 2023 and closes at **7.00pm (Sydney time), on 11 April 2023**, unless it is withdrawn or the Offer Period is extended in accordance with the Corporations Act. If you choose to accept the Offer, then your acceptance must be received by Sibanye Australia before the end of the Offer Period. Instructions on how to accept the Offer are set out in the Sibanye Bidder's Statement and on the Acceptance Form. If you want to accept the Offer, then you should follow these instructions carefully to ensure that your acceptance is valid.

If your New Century Shares are in a CHESS holding and you want to accept the Offer, then you can accept the Offer by either:

- instructing your Controlling Participant (usually your broker) to accept the Offer on your behalf before the end of the Offer Period. You should give instructions to your Controlling Participant in sufficient time before the end of the Offer Period to allow your broker to initiate your acceptance under the CHESS system; or
- completing and signing the Acceptance Form in accordance with the instructions on the form, and returning it (together with all other documents required by the instructions) to one of the addresses specified on the form. To be effective, you must ensure that the Acceptance Form is received by 7pm (Sydney time) on the last day of the Offer Period.

If your New Century Shares are in an issuer sponsored holding and you want to accept the Offer, then you should complete and deliver the Acceptance Form (including all other documents required by the instructions on the form) in sufficient time that it is received by Sibanye Australia before the end of the Offer Period.

#### 3.2 Choice 2: Sell your Shares on-market through the ASX

During the Offer Period, you may sell your Shares on-market through the ASX for cash, provided you have not accepted the Offer or any other offer for those Shares (or, if you have accepted another offer, provided you have validly withdrawn that acceptance).

If you sell your New Century Shares on-market, then you may receive the consideration for your Shares sooner than if you accept the Offer.

If you sell your New Century Shares on-market, you will lose the ability to accept the Offer and receive the Offer Price of \$1.10 per Share (and any subsequent increase in the Offer Price) in relation to those Shares pursuant to the Offer.

You should contact your broker for information on how to sell your Shares on ASX and your tax adviser to determine your tax implications from such a sale.

### **3.3 Choice 3: Take no action**

If you do not wish to sell your Shares on-market and do not wish to accept the Offer, then you should take no action. Simply disregard the documents sent to you by Sibanye Australia in relation to the Offer.

You should note that:

- if you choose not to accept the Offer, then you will not receive any money from Sibanye Australia unless Sibanye and its associates have Relevant Interests in at least 90% of the Shares at the end of the Offer Period. In that event, Sibanye Australia will become entitled to compulsorily acquire those Shares that it does not already own. Sibanye Australia intends to exercise this right where it becomes entitled to do so (refer to Section 6.11 (*Compulsory acquisition*) for further information regarding compulsory acquisition);
- Sibanye Australia has stated its intention to cause New Century to apply to the ASX for removal from the official list as soon as it is in a position to do so, subject to meeting the ASX's requirements. As Sibanye Australia and its associates, including Sibanye have acquired more than 75% of New Century, it is now in a position to pursue the proposed delisting of New Century. In the event that Sibanye Australia fails to reach the 90% compulsory acquisition threshold but does satisfy the ASX's requirements to delist New Century, then any remaining New Century shareholders would become shareholders in an unlisted company and may find it difficult to sell their shares, or to sell their shares at a price equal to the Offer Price; and
- if Sibanye Australia and its associates acquire less than 90% of the Shares, and you continue to hold New Century Shares, then you will be exposed to the risks associated with being a minority shareholder of New Century. Some of these risks are explained in Section 6.12 (*Implications of Sibanye Australia acquiring less than 90% of New Century Shares*).

## 4 INFORMATION ON NEW CENTURY

### 4.1 Business overview

New Century is a leading mining, tailings management and economic rehabilitation company focused on sustainably producing metal from resource assets while rehabilitating legacy impacts to the environment.

New Century is a top-15 global zinc producer, operating Australia's largest hydraulic mining operation at the Century operation in Queensland (**Century**); extracting, processing, and marketing zinc concentrate recovered from historical tailings. Since commencing operations at Century, New Century has produced more than 1 million tonnes of zinc concentrate. The teams at Century and the Karumba Port Facility have delivered this performance with an industry leading safety record, achieving a rolling 12-month total recordable injury frequency rate (**TRIFR**) of 1.1 at 31 December 2022 and reducing this to zero during the month of January 2023.

New Century is also actively progressing organic growth opportunities through the Century Expansion Project and the potential to restart copper production at the historically significant Mt Lyell Copper Mine in Tasmania (**Mt Lyell**) using 100% renewable energy. In addition, New Century is pursuing opportunities with industry peers to reprocess and rehabilitate contemporary and historical mineralised waste assets at operational and legacy mine sites. Under this model, New Century will employ its expertise in economic rehabilitation with partners to the benefit of shareholders and the environment.

### 4.2 Overview of New Century's key assets

New Century's key assets in Australia are as follows:

#### (a) **Century**

Century is located at Lawn Hill, 250km northwest of Mount Isa in the Lower Gulf of Carpentaria. Century began open-pit production in 1999.

During its initial 16 years of operation, the original Century operation was one of the largest zinc mines in the world, producing an average of 475,000tpa zinc in concentrate and 50,000tpa lead in concentrate at Lawn Hill. The product was transferred in slurry via a 304km underground pipeline to the Karumba Port Facility for shipping to smelters in Australia, Europe and Asia. Following the depletion of the original Ore Reserve, the mine was put on care and maintenance in 2016.

After acquiring the operation in 2017 from MMG Limited, New Century re-started operations in August 2018 through the hydraulic-mining and reprocessing of tailings utilising the extensive existing infrastructure at Century. Tailings material is hydraulically mined and then pumped to the processing plant to remove remnant zinc prior to pumping tailings material into the original open pit for final storage. The original hard rock processing plant has been refurbished to process up to 12Mtpa of tailings material. The zinc concentrate from the processing facility is pumped via the slurry pipeline to the Karumba Port Facility where it is processed before being loaded onto New Century's transshipment vessel, the M.V. Wunma.

During the 2022 financial year, the hydraulic mining operations at Century processed 8.54Mt of tailings material at an average grade of 2.94% zinc. From this tailings material, 118,108t of zinc metal and 39,899kg of silver were produced and sold in zinc concentrate form.

In the December 2022 quarter, New Century produced 63,124t of zinc concentrate containing 29,276t of zinc, with Century having now produced in excess of 1Mt of zinc concentrate since the recommencement of operations. These most recent results in the December quarter were achieved against a backdrop of a planned major shutdown and weather events during the Northwest Queensland wet season.

#### (b) **Century Expansion Project**

New Century is planning to develop the Silver King and East Fault Block deposits as near-term feed sources for the Century processing plant. To maximise value from these deposits, new crushing and grinding circuits are proposed to be installed ahead of the existing processing infrastructure. Silver King and East Fault Block ore is proposed to be processed concurrently with the existing

tailings material. A feasibility study was completed to assess the potential of this strategy and the results were released to the market in September 2021.

A planning and optimisation study was completed in May 2022 which focused on completing Front-End Engineering Design for the processing plant infrastructure, detailed mine planning, capital cost estimations and ancillary infrastructure upgrades required to support hard rock mining. This study demonstrated significantly improved economics and an improved production profile.

(c) **Mt Lyell Copper Mine**

Mt Lyell Copper Mine is located near Queenstown in North-West Tasmania, Australia. The Mt Lyell Copper Mine is a significant mine in Australian history being one of the most prolific copper producing mines in the British Empire.

Mt Lyell was acquired by Vedanta Limited (**Vedanta**) in 1999, which profitably produced almost 400kt of copper, 220koz of gold and 1.8moz of silver until 2014. The mine was placed on care and maintenance in 2014, following a series of safety incidents, with the subsequent depressed commodity market resulting in operations remaining suspended for an extended period. As a result, Mt Lyell has extensive infrastructure and services already in place, allowing for a rapid restart of operations.

On 27 October 2021, New Century announced it had executed an Option Agreement with Monte Cello B.V., a subsidiary of Vedanta, for the acquisition of Copper Mines of Tasmania Pty Ltd, the owner of the Mt Lyell Copper Mine. The two-year Option Agreement, which commenced on 5 November 2021, allows New Century to evaluate potential for the restart of operations at Mt Lyell, with the option able to be exercised no later than 5 November 2023.

The Option Agreement includes a minimum expenditure of US\$10 million during the option period towards development and exploration, in addition to the reimbursement of care and maintenance costs. Exercise of the option gives rise to an immediate additional US\$10 million payment. Deferred consideration for the acquisition includes US\$10 million upon the declaration of commercial production, a trailing net smelter royalty (capped at US\$250 million) and a further capped windfall royalty depending upon the applicable copper market price. Upon exercising the option, New Century must replace the existing A\$6.1 million environmental bond.<sup>8</sup>

On 23 January 2023, New Century announced completion of the Mt Lyell Prefeasibility Study (**PFS**) for the restart of mining operations. The Mt Lyell PFS supports a 25-year mine life, with production of concentrates containing of 555kt of copper and 320koz of gold over the mine life, with a pre-tax net present value of A\$560 million and internal rate of return of 22%. The estimated pre-production capital investment requirement is A\$279 million, leveraging existing infrastructure, with a maximum cash draw of A\$360 million. The New Century project team has commenced progressing the Mt Lyell Feasibility Study (**Feasibility Study**).

Due to renewable energy generation in Tasmania, Mt Lyell's infrastructure and fixed assets are able to be operated on 100% renewable electricity.

(d) **Strategic projects and other activities**

New Century's aim has been to become Australia's next mid-tier base metal producer, utilising its current assets, excellent safety record, and the culture it embodies as the platform for this growth. The strategy for the Company in 2023 and beyond has been focused on:

- maximising value from its North West Queensland assets at both Century and the Karumba Port Facility, utilising all avenues to safely increase production and decrease costs;
- increasing value at Century by realising life extension after the end of hydraulic mining in 2027 through understanding and extracting the inherent resource value in the Century Expansion Project, along with the presence of a significant phosphate resource);

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<sup>8</sup> Further detail is set out in the ASX announcements titled 'NCZ Launches Transformational ESG Focused Growth Transaction' and 'Investor Presentation – Transformational Growth Transaction' each dated 27 October 2021.



- investing in the restart of the Mt Lyell Copper Mine, with the PFS now completed, and having demonstrated an outstanding opportunity, the Feasibility Study is underway and expected to be completed in the December quarter of FY2024; and
- accelerating Company growth through external opportunities, with a focus on complementary assets in our market segment including reprocessing and rehabilitating contemporary and historical mineralised waste assets at operational and legacy mine sites. Under this model, New Century will employ its expertise in economic rehabilitation with partners to the benefit of shareholders and the environment.

Investment in the Company's pipeline of growth projects has comprised approximately A\$17.7 million over the 6 months to 31 December 2022 and has been enabled by strong operational cash flow generation and cost control in a highly inflationary environment.

### 4.3 New Century's mining tenements

A table setting out all tenements in which New Century and its subsidiaries hold a relevant interest is set out in below:

Holder/Applicant	Jurisdiction	Tenement number	Interest	Status
<b>Century</b>				
Century Mining Limited	Queensland	ML 90058	100%	Granted
Century Mining Limited	Queensland	ML 90045	100%	Granted
Century Mining Limited	Queensland	EPM 10544	100%	Granted
Century Mining Limited	Queensland	EPM 26722	100%	Granted

### 4.4 Board and management

#### (a) New Century Board

As at the date of this Target's Statement, the New Century Board comprises the following New Century Directors:

Name	Current position
Kerry Gleeson	Non-Executive Chairman
Robert Cooper	Managing Director and Chief Executive Officer
Peter Watson	Non-Executive Director

#### (b) New Century's key management personnel

As at the date of this Target's Statement, New Century's key management personnel are each of the New Century Directors and the following individuals:

Name	Current position
Mark Chamberlain	Chief Financial Officer
Barry Harris	Chief Operations Officer

## 4.5 Substantial shareholders

As at the Last Practicable Trading Date, the substantial holders of New Century Shares are as follows.

Name	Number of Shares <sup>9</sup>	Percentage <sup>10</sup>
Sibanye and its associates including Sibanye Australia	104,413,368	78.31%

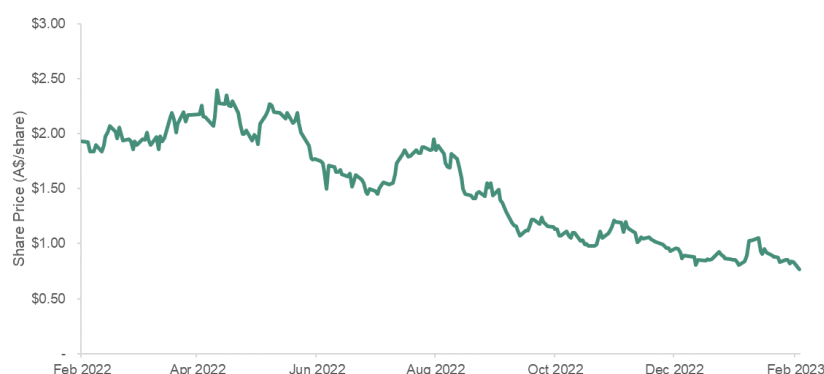
While Luminus Management LLC has not released any updated substantial holder notice or notice of ceasing to be a substantial holder, tracing of beneficial interests conducted by the Company indicates that Luminus Management LLC no longer holds any shares in New Century.

Other than as noted above, the table above does not include information in regard to substantial holdings arising, changing or ceasing after this time, or in respect of which the relevant announcement is not available on the ASX's website ([www.asx.com.au](http://www.asx.com.au)).

## 4.6 Historical trading prices

New Century Shares are listed on the ASX under the code 'NCZ'.

The graph below shows the closing New Century Share price starting on 20 February 2022 and ending on 20 February 2023:



## 4.7 Public information available for inspection

New Century is a 'disclosing entity' for the purposes of section 111AC(1) of the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules.

These obligations require New Century to notify the ASX of information about specified matters and events as they arise for the purposes of the ASX making that information available to participants in the market. New Century has an obligation under the ASX Listing Rules (subject to some exceptions) to notify ASX immediately upon becoming aware of any information concerning it which a reasonable person would expect to have a material effect on the price or value of the Shares.

New Century's recent ASX announcements are available on the ASX's website ([www.asx.com.au](http://www.asx.com.au)). Further announcements will continue to be made available on the ASX website after the date of this Target's Statement.

Pursuant to the Corporations Act, New Century is required to prepare and lodge with ASIC and ASX both annual and half yearly financial statements accompanied by a Directors' statement and report, with an audit or review report. Copies of these and other documents lodged with ASIC may be obtained from or inspected at an ASIC office, on ASX's website ([www.asx.com.au](http://www.asx.com.au)) and on New Century's website ([www.newcenturyresources.com](http://www.newcenturyresources.com)).

<sup>9</sup> This refers to the number of shares held by each substantial holder as disclosed to New Century by the shareholders in substantial holding notices filed with ASX as at the Last Practicable Trading Date.

<sup>10</sup> The Relevant Interest percentage has been calculated on the basis of New Century's issued share capital on an undiluted basis as at the Last Practicable Trading Date (being, 133,338,957 New Century Shares).

Any continuous disclosure document and New Century's announcements to ASX (as well as third party announcements to ASX concerning New Century) between the lodgement of New Century's 2022 Annual Report on 29 August 2022 and the date of this Target's Statement are available on ASX's website ([www.asx.com.au](http://www.asx.com.au)) and on New Century's website ([www.newcenturyresources.com](http://www.newcenturyresources.com)).

## 4.8 Capital structure

As at the Last Practicable Trading Date, New Century has on issue:

Security	Number
New Century Shares	133,338,957
Options	3,000,002
Performance Rights	1,216,941
Retention Rights	427,824

### (a) Options

New Century currently has 3,000,002 Options on issue, none of which are on issue to New Century Directors:

Option holder	Number	Exercise Price	Expiry Date
Tectonic Advisory	666,668	\$3.75	4 December 2023
Värde Partners	1,666,667	\$3.75	17 July 2023
MMG Management Pty Ltd	666,667	\$2.325	30 November 2024
<b>Total</b>	<b>3,000,002</b>		

The Offer does not extend to the Options, but it does extend to New Century Shares that are issued on the exercise of the Options during the Offer Period. If the Options are not exercised during the Offer Period, then they will expire on the dates set out in the table above.

At Section 3.6 (*Specific intentions – New Century Convertible Securities*) of the Sibanye Bidder's Statement, Sibanye Australia states that if it becomes entitled to compulsorily acquire the Options under Part 6A.2 of the Corporations Act, it may seek to acquire the Options by doing one or more of the following (at its election):

- (i) making a private offer to holders of the Options to acquire them; or
- (ii) where Sibanye Australia becomes entitled under Chapter 6A of the Corporations Act to compulsorily acquire all outstanding New Century Shares, compulsorily acquiring the Options.

### (b) Performance Rights

New Century currently has 1,216,941 Performance Rights on issue, which have been granted to New Century key management personnel (excluding Non-Executive Directors) and employees under the New Century Employee Securities Incentive Plan.

Subject to the satisfaction of certain vesting conditions approved by the New Century Board and the Corporations Act and ASX Listing Rule limitations, each Performance Right is exercisable over one New Century Share. The Performance Rights were issued for nil consideration.

Under the terms of the New Century Employee Securities Incentive Plan and the offers made to eligible participants, Performance Rights granted in 2020 and 2021 vested immediately on a

change of control<sup>11</sup> and shares have been issued in respect of these rights. In respect of Performance Rights granted in 2022, the New Century Board has a discretion to determine that some or all of these Performance Rights will vest upon a change of control of New Century. The Board of New Century has determined that the Performance Rights granted in 2022 will vest in full, subject to satisfaction of the terms of the ASX waiver described below. The New Century Board intends to issue New Century Shares in satisfaction of the vesting of these Performance Rights on or about the same date as this Target's Statement.

New Century has received a waiver from ASX Listing Rule in relation to Listing Rules 6.23.2 and 6.23.3 to permit the accelerated vesting and cancellation of the 2022 Performance Rights on the basis that Sibanye and its associates have already obtained control of New Century and full details of cancellation are included in this Target's Statement.

Sibanye Australia has confirmed that it does not intend to rely on the issue of New Century Shares following the vesting and exercise of Performance Rights as a reason for non-fulfilment of the Defeating Condition detailed in the Bidder's Statement.

The Offer does not extend to the Performance Rights, but it does extend to New Century Shares that are issued on the vesting and exercise of the Performance Rights during the Offer Period. As a result, holders of such Performance Rights will be entitled to participate in the Offer in respect of the Shares issued in connection with the vesting of those rights.

(c) **Retention Rights**

New Century currently has 427,824 Retention Rights on issue which have been granted to employees of New Century under the Employee Securities Incentive Plan. Subject to the satisfaction of the vesting condition approved by the New Century Board and to the Corporations Act and ASX Listing Rule limitations, each Retention Right is exercisable over one New Century Share. The Retention Rights were issued for nil consideration.

New Century Retention Rights issued in 2020 and 2021 vested immediately on the change of control and shares have been issued in respect of these rights. In respect of Retention Rights granted in 2022, the New Century Board has a discretion to determine that some or all of these Retention Rights will vest upon a change of control in New Century. The Board has determined to exercise the discretion to vest the Retention Rights granted in 2022 in full, subject to satisfaction of the terms of the ASX waiver described below. The New Century Board intends to issue New Century Shares in satisfaction of the vesting of these Retention Rights on or about the same date as this Target's Statement.

New Century has received a waiver from ASX Listing Rule in relation to Listing Rules 6.23.2 and 6.23.3 to permit accelerated vesting and cancellation of the 2022 Retention Rights on the basis that Sibanye and its associates have already obtained control of New Century and full details of vesting and cancellation are included in this Target's Statement.

Sibanye Australia has confirmed that it does not intend to rely on the issue of New Century Shares following the vesting and exercise of Retention Rights as a reason for non-fulfilment of the Defeating Condition detailed in the Bidder's Statement.

The Offer does not extend to the Retention Rights, but it does extend to New Century Shares that are issued on the vesting and exercise of the Retention Rights during the Offer Period. As a result, holders of such Retention Rights will be entitled to participate in the Offer in respect of the Shares issued in connection with the vesting of those rights.

## **4.9 Transaction Costs**

New Century has incurred, or will incur, external transaction costs (including legal and financial advisory fees) in relation to the Offer. As at the date of this Target's Statement, and since the receipt of the Sibanye

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<sup>11</sup>On 23 February 2023 Sibanye notified ASX, in a Form 604 *Notice of change of interests of substantial holder*, that it had acquired a relevant interest of 51.41% in New Century. The acquisition of a relevant interest greater than 50% constitutes a change of control event for the purposes of the Employee Securities Incentive Plan.

Bidder's Statement on 21 February 2023, New Century has incurred external transaction costs of approximately \$844,000 (excluding GST).

## 5 RISKS ASSOCIATED WITH A CONTINUED INVESTMENT IN NEW CENTURY

### 5.1 Overview

In the event that you do not accept the offer, the risks and uncertainties that apply to holding New Century Shares include:

- (a) risks that are specific to New Century (see Section 5.2 (*Risks specific to New Century*));
- (b) risks factors that arise from the Offer (see Section 5.3 (*Risks relating to the outcome of the Offer*)); and
- (c) general investment risks (see Section 5.4 (*General risks*)).

New Century is subject to risks specific to New Century, and risks relating to the outcome of the Offer. Many of these risks are outside the control of New Century and its Directors.

This Section 5 describes some of the material risks that apply to holding New Century Shares. These are not the only risks New Century faces. Some risks may not be known to New Century, and some that New Century currently believes to be immaterial could later turn out to be or become material. One or more or a combination of these risks could materially impact New Century's future operating and financial performance, and the value of the Shares.

### 5.2 Risks specific to New Century

#### (a) **Commodity prices, treatment charges and exchange rate risk**

New Century principally derives its revenue from the sale of zinc and silver. Consequently, any future earnings will be closely related to the price of these commodities, the treatment charges imposed by smelters, refiners or traders for zinc concentrate as well as the terms of any off-take agreements that New Century has or enters into.

The world market for minerals is subject to many variables outside of the control of New Century which may fluctuate markedly. These variables include world supply and demand balance for zinc and silver, forward selling by producers and production cost levels in major mineral-producing regions. Minerals prices are also affected by macroeconomic factors such as general global economic conditions and expectations regarding inflation and interest rates on the economics of demand and supply.

Production from New Century's mining operations is dependent upon the Australian dollar price of zinc and silver being sufficiently high for production to be economic. Material declines in the Australian dollar market price of zinc or silver could cause commercial production from New Century's operations to be rendered uneconomic, or cause material losses in forecasted revenue and profitability. This may have an adverse effect on New Century's exploration, development and production activities, as well as on its ability to fund those activities or continue as a going concern.

Similar risks are applicable to the Australian dollar price of copper, lead and gold with any material decline having a negative impact on the economics and viability of the Century Expansion Project and/or the Mt Lyell Copper Mine restart.

Zinc treatment charges are a significant component of New Century's cost base. In 2022 the annual zinc concentrate benchmark treatment charge was set at US\$230/t with price participation. If zinc treatment charges increase in 2023, and / or the price of zinc declines, the forecast revenues and profitability from operations at Century would be adversely affected. New Century endeavours to manage its exposure to material changes in zinc treatment charges by incorporating a mix of benchmark and spot treatment charges into its sales contracts.

Metals are principally traded throughout the world in US dollars. New Century's cost base is payable in various currencies including Australian dollars with a smaller contribution in US dollars for such items as zinc treatment charges, reagents and shipping. As a result, any significant and sustained rise in the exchange rate between the Australian dollar and the US dollar will have a materially adverse effect on New Century's financial position.

While many of these risks are outside of the control of New Century and its officers, New Century constantly assesses opportunities to hedge commodity prices and foreign exchange depending on market conditions. In November 2021 the Company executed a second major long term zinc hedging transaction with Macquarie Bank Ltd as a key mitigation (see ASX announcement dated 8 November 2021). As at December 2022, the Company's hedged position was 90,000 tonnes of zinc at a weighted average price of A\$3,828/t. The hedges amortise monthly through June 2024.

As of 15 March 2023 67,500t of zinc remained to be delivered to December 2023 at a price of A\$3,850 per tonne and a further 15,000t of zinc remained to be delivered from January 2024 to June 2024 at a price of A\$3,717/t.

(b) **Liquidity position, availability of funding and going concern**

As with any commercial enterprise, New Century must maintain an appropriate level of liquidity and working capital to ensure the smooth functioning of its business and avoid any solvency issues. New Century's liquidity position and funding requirements are continuously reviewed through detailed internal cash flow models that are updated as required for external and internal factors. In addition, New Century constantly assesses opportunities to hedge commodity prices and foreign exchange depending on market conditions and currently has significant Australian dollar zinc hedges in place.

As advised by the ASX Announcements released on 9 March 2023 and 17 March 2023, recent rainfall events in Northwest Queensland have impacted operations at the Century Operation and Karumba Port Facility. Recovery efforts are progressing well, however production and non-essential activities remain suspended while dewatering operations continue. The Company does not expect to recommence production for two to three weeks, at which time hydraulic mining activities are expected to operate at approximately 75% of nominal capacity, with a return to normal production levels not expected until mid-to-late April. Given the challenging conditions, the duration of the suspension is difficult to accurately predict and the current estimate is subject to no further significant rainfall events, the ongoing availability of infrastructure and gaining access to operational consumables.

The suspension of production and non-essential activities will impact production results for the current quarter. At this stage the production impact for the 2023 financial year is expected to be in the range of 15kt to 20kt of zinc metal.

The impact of this production shortfall is likely to impact New Century's short term liquidity position. As such, New Century is engaging with Sibanye and Sibanye Australia in respect of mitigating key operational and business risks, including short term liquidity issues. Sibanye and Sibanye Australia have confirmed that they are committed to working with New Century to ensure New Century remains in a position to pay its debts as and when they become due and payable and subject to agreement on legal documentation (including approval from the Sibanye and Sibanye Australia Boards of Directors and other relevant approvals), to providing or procuring a funding solution up to \$30 million, subject to New Century providing certain information.

As noted in New Century's annual audited financial statements for the year ended 30 June 2022, New Century incurred a net loss of \$28.3 million during the financial year and as of 30 June 2022, New Century had a net current asset surplus of \$187,007. Further, as set out in the half yearly results to 30 December 2022, New Century incurred a net loss after tax of \$28,480,467 during the period. Net cash outflows from operating activities were \$16,194,985 for the period. Further detail is set out in the 'Half Yearly Report and Accounts' ASX Announcement released by the Company on 27 February 2023.

As of 31 December 2022, New Century had a net current asset deficiency of \$31.1 million after including \$32.8 million of current liabilities relating to the Australian dollar zinc hedge. These derivative financial instruments hedge against future forecast sales for which no assets are recognised. These conditions, specifically the net current asset deficiency and factors affecting New Century's ability to continue to access its EBF signed in August 2022, indicate that a material uncertainty exists that may cast significant doubt on New Century's ability to continue as a going concern and therefore whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.



As at the Last Practicable Trading Date, Sibanye has acquired a Relevant Interest in 78.31% of the total issued capital of New Century.<sup>12</sup> While Sibanye's intentions in respect of these matters, including the holding or replacement of the EBF, is unknown and Sibanye's general intentions remain subject to a general strategic review, the Board considers it possible that Sibanye's position as a controlling shareholder of New Century may provide New Century alternative options to address these matters. Although at this stage there is no certainty as to how Sibanye may exercise its rights as a controlling shareholder. New Century Shareholders should also consider the disclosures in Section 5.2(g) (*Compliance with debt facilities, mandatory hedging and credit risk*) and Section 5.3(d) (*Triggering change of control provisions*) regarding the change of control to Sibanye.

While New Century acknowledges that Sibanye and its associates are now the controlling shareholder, in the event New Century needs to raise additional funds there can be no assurance that sufficient debt or equity funding will be available on acceptable terms for the Company, minority shareholders or at all.

(c) **Future capital requirements**

The future capital requirements of New Century will depend on many factors including but not limited to its operational and business development activities.

In order to continue the Company's Century Expansion Project and any new business initiatives such as the Mt Lyell Copper Mine restart (which the Mt Lyell Prefeasibility Study estimated to require a maximum cash draw of A\$360 million), the Company is likely to require further financing in the future.

If Sibanye does not obtain 90% and proceed to compulsory acquisition and New Century decides to fund the Century Expansion Project and new business initiatives through additional equity, any additional equity financing may be dilutive to Shareholders (including minority Shareholders), may be undertaken at lower prices than the then market price or may involve restrictive covenants that limit New Century's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities in addition to those that New Century is already obliged to comply with under its EBF. Further detail is set out in Section 1.7 (*A material uncertainty exists that may cast significant doubt on New Century's ability to continue as a going concern as a standalone entity*).

New Century is required to provide financial assurance to the Queensland Government to guarantee future potential costs to rehabilitate Century. The appropriate amount of the financial assurance is subject to periodic review. The appropriate amount of the financial assurance bond to be put in place with the Queensland Government remains subject to an appeal process being heard within the Land Court of Queensland as at the Last Practicable Trading Date. New Century may be exposed to further obligations depending upon the outcome of the Land Court matter which will likely be heard during 2023 and potentially into 2024. The maximum exposure to a possible increase in the Financial Assurance Bond is approximately \$15,000,000.

No assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to New Century or at all.

(d) **Dilution risk**

If Sibanye does not reach the 90% threshold to proceed with compulsory acquisition, New Century may issue new securities in the future to finance its activities or pay down debt, which may, under certain circumstances, dilute the value of New Century Shareholders' interest in New Century.

(e) **Production and development risk**

The prospects of New Century should be considered in light of the risks, opportunities, expenses and difficulties frequently encountered by companies at a similar stage of production and

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<sup>12</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

development. New Century's initiatives to improve its production performance and meet its production schedule may not proceed to plan, with potential for delay in the timing of targeted production and metallurgical recoveries and a failure to achieve the level of targeted production and recoveries. If these circumstances occur in conjunction with adverse market factors, such as low zinc prices, unfavourable foreign exchange rate movements or high zinc treatment charges, this risk would adversely impact New Century's financial performance.

There is a risk that capital and operating costs will be higher than expected or there will be other unexpected changes in variables upon which expansion and commissioning decisions were made. These potential scope changes and cost overruns may lead to reductions in revenues and profits and trigger additional funding requirements or affect the ability of New Century to comply with the terms of financing facilities.

New Century's operations may be affected by numerous other factors, including failure to achieve predicted grades in exploration and mining, operational and technical difficulties encountered in mining, difficulties in commissioning and operating plant and equipment, mechanical failure or plant breakdown, unanticipated metallurgical problems, adverse weather conditions, industrial and environmental accidents, industrial disputes and unexpected shortages or increases in the costs of consumables, spare parts, plant and equipment. Mechanical failure of New Century's operating plant and equipment and general unanticipated operational and technical difficulties may adversely affect New Century's operations. Operating risks beyond New Century's control may expose it to uninsured liabilities.

Mining operations, associated future development activities and sustaining exploration are highly speculative, involve many risks and may be unsuccessful. New Century's ability to sustain or increase its proposed forecast levels of production is dependent on its ability to achieve forecast geological interpretations, anticipated operating levels and to operate to set budgets and plans and the success of development projects associated with the life of mine business plan.

New Century's ability to economically mine its mineral resources may be affected by a range of factors including:

- (i) unanticipated variations in equipment productivity, operating parameters and cost;
- (ii) lack of availability or shortages of equipment, spare parts and consumables;
- (iii) continued access to appropriately skilled labour, competent operation and managerial employees, contractors and consultants;
- (iv) actual mineralisation consistency, the accuracy of Ore Reserve and Mineral Resource estimates, inconsistent or poor metallurgical recovery rates;
- (v) the physical characteristics of the ore body including unanticipated changes in grade or tonnage of ore mined and processed, or reclassification of Mineral Resources and Ore Reserves;
- (vi) geotechnical, geological, metallurgical and hydrological conditions;
- (vii) availability of suitable water for processing plant operations;
- (viii) limitations to activities, such as seasonal weather patterns and cyclone activity and other adverse weather conditions;
- (ix) other factors classified as force majeure circumstances;
- (x) industrial action, disputes or disruptions;
- (xi) unanticipated operating and technical difficulties, mechanical failure of operating plant and equipment, industrial and environmental accidents;
- (xii) increases in costs and cost overruns; and
- (xiii) financial failure, or default by any future alliance or service provider to New Century which may require New Century to face unplanned expenditure or interrupt mining and processing operations.

New Century has plans in place to mitigate against production and development risks. These plans are subject to regular review by senior management and the New Century Board. In addition to New Century's internal production and development expertise, New Century engages external experts and contractors in relation to production and development performance at Century.

(f) **Changes in capital and operating cost estimates**

New Century's capital and operating costs estimates are based on the best available information at the time. Any significant unforeseen increases or decreases in the capital and operating costs associated with Century would impact New Century's future cash flow and profitability. Capital and operating costs for the development of major projects in Australia can be highly sensitive to changes, positive or negative, in raw material prices as well as in labour and contractor costs.

To mitigate cost risks, New Century continues to focus on streamlining its operations and developing strong relationships with its people, business partners and suppliers. As with all capital-intensive mining operations, Century's unit costs are highly susceptible to production rates. New Century invests heavily in preventative maintenance to maximise equipment availability and productivity.

(g) **Compliance with debt facilities, mandatory hedging and credit risk**

New Century is party to a A\$180 million EBF with Argonaut Insurance Company and Macquarie Bank Ltd. The costs or benefits of settling New Century's hedging arrangements, which are required by the EBF, are subject to fluctuations in commodity prices, which are dependent on market conditions outside of New Century's control (see Section 5.2(a) (*Commodity prices, treatment charges and exchange rate risk*) for further details).

The current terms of the EBF require that it shall amortise quarterly for four quarters at \$10 million per quarter commencing on 3 April 2023 and finishing on 2 January 2024 and then amortise at a rate of \$7.62 million per month from 31 January 2024 to 30 April 2025. Macquarie is the issuing bank for the environmental rehabilitation bond required for Century.

The EBF requires New Century to comply with a number of covenants, which are typical for facilities of this nature and include financial covenants, a production covenant, project specific covenants, information and financial reporting covenants, hedging covenants, environmental covenants, insurance covenants and other general covenants (including restrictions on distributions, incurring financial indebtedness, providing financial accommodation and guarantees and acquiring and disposing of assets, each with typical exceptions). Non-compliance with such covenants will constitute an event of default (unless waived) if not remedied within certain cure-periods.

The occurrence of an event of default may entitle Argonaut Insurance Company and Macquarie Bank Ltd to exercise certain rights, including the acceleration of repayment of outstanding moneys on the EBF, the zinc hedges and the enforcement of their security interests. The exercise of these rights could have a material adverse effect on New Century's activities and financial condition.

On 22 February 2023, Sibanye announced it had increased its total Relevant Interest in New Century to 40.58%. Under the EBF, this constituted a change of control and was therefore a 'Review Event'. The EBF Facility Agent (as defined in the EBF) was notified on 22 February 2023 triggering an obligatory 60-day period of good faith negotiation to attempt to agree appropriate amendments to the EBF to allow the facility and hedging transactions to continue.

As at the Last Practicable Trading Date,<sup>13</sup> Sibanye has acquired a Relevant Interest in 78.31% of the total issued capital of New Century. While Sibanye's intentions in respect of these matters, including the holding or replacement of the EBF, is unknown and Sibanye's general intentions remain subject to a general strategic review, the Board considers it possible that Sibanye's position as a controlling shareholder of New Century may provide New Century alternative options to

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<sup>13</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

address these matters. Although at this stage there is no certainty as to how Sibanye may exercise its rights as a controlling shareholder.

If, upon expiry of the Review Period, the EBF parties have not agreed what amendments or other appropriate remedies New Century may need to make, the EBF may be cancelled at the discretion of Argonaut Insurance Company. Under such a scenario, the \$160 million utilisation<sup>14</sup> would no longer be available to New Century, within no earlier than 60 days following the issuance of a cancellation notice. New Century would be required to obtain a replacement facility to enable it to comply with the environmental regulations required to operate at Century. Separately, the Australian dollar zinc hedges, recorded as a derivative liability of \$38.9 million as at 31 December 2022, may be terminated or closed out at the discretion of Macquarie Bank Ltd.

In November 2021 New Century entered into a Deed of Covenant with Royaltone Pty Ltd (**Royaltone**) which imposed certain restrictions on making royalty payments to Royaltone. These restrictions have prevented New Century making any royalty payments to Royaltone since November 2021 with all payment obligations accruing as a non-current liability. Should the EBF be cancelled, the Australian dollar zinc hedges be terminated or closed out and all outstanding amounts under the EBF be repaid by New Century, the Deed of Covenant will cease to have any effect. Unless other terms are agreed between the parties all amounts owed to Royaltone will become due and payable at that time and future obligations will require payment on their standard terms. As at 31 December 2022, a total of \$8,081,598 (including interest) was owed to Royaltone.

Acknowledging that as at the Last Practicable Trading Date, Sibanye has acquired a Relevant Interest in 78.31% of the issued capital of New Century,<sup>15</sup> it may provide alternate options to New Century in respect of replacing the EBF. New Century is yet to confirm Sibanye's intentions in respect of the EBF.

(h) **Default under guarantee and security arrangements**

Members of the New Century Group are parties to security arrangements provided in connection with the EBF, which are typical for facilities of this nature, including but not limited to:

- (i) guarantees given by New Century and certain subsidiaries;
- (ii) first ranking mining and real property mortgages over New Century's tenements and real property;
- (iii) first ranking all-asset security under a General Security Agreement provided by New Century and certain subsidiaries; and
- (iv) first ranking share security provided by New Century and certain subsidiaries in respect of the shares held in Century Mine Limited and other subsidiaries of the New Century Group.

Non-compliance with the various obligations imposed on New Century and the subsidiaries under the guarantee and security arrangements could lead to, among other things, the loss of title to Century.

New Century Shareholders should also consider the disclosures around compliance with debt facilities, mandatory hedging and credit risk at Section 5.2(g) (*Compliance with debt facilities, mandatory hedging and credit risk*) above.

(i) **Native title**

New Century notes that Century Mining Limited (a New Century subsidiary) is a party to the Gulf Communities Agreement and other native title agreements in connection with Century, as summarised in the re-compliance prospectus lodged with the ASX on 20 June 2017. New Century maintains a record of compliance with the Gulf Communities Agreement and associated community

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<sup>14</sup> This \$160 million utilisation reflects that New Century was required as a condition precedent under the EBF to provide \$20 million to Macquarie Bank Limited to be held as a partial cash cover in respect of the total \$180 million facility.

<sup>15</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

agreements and has no current need to negotiate any agreement to allow for the continuation of current activities or any future mining developments within the existing mining leases.

Issues with local communities may materially and adversely affect New Century's operations. Issues with the local communities surrounding the areas where New Century proposes to operate now or in the future may arise from the implementation of New Century's business activities. These issues may result in community protests, road blockades and third-party claims. The failure to successfully settle any local community issues could have a material adverse effect upon New Century's business, prospects, financial condition and results of operations.

In managing these risks, New Century has developed and implements management plans to address social impacts, engage with key stakeholder groups and ensure effective and lawful management of cultural heritage aspects.

(j) **Mine life risk**

New Century currently has Ore Reserves (as defined in the JORC Code) capable of supporting current production rates for approximately 4.5 years. New Century has exploration assets in addition to its economic tailings mining operations. On 15 September 2021, New Century released the results of a feasibility study providing a pathway to extend the life of mine to 2030 via development of existing in-situ resources. However, New Century cannot guarantee the development of its current exploration assets into economic production and a corresponding increase in mine life. Further detail is set out in Section 5.2(e) (*Production and development risk*).

(k) **Environmental risks**

The business of mining, exploration and development is subject to a variety of risks and hazards such as mining accidents, flooding, environmental hazards, the discharge of toxic chemicals and other hazards. These risks can be compounded by the use of contractors including contract miners. These hazards may delay production, increase production costs or result in the suspension or termination of mining leases or licences, damage to, and destruction of, mineral properties or production facilities, personal injury, environmental damage and legal liability.

The cost and complexity of complying with applicable environmental laws and regulations may prevent New Century from being able to develop potentially economically viable mineral deposits.

New Century's operations are subject to rules and regulations regarding environmental matters and the discharge of hazardous wastes and materials. As with all mineral projects, New Century's projects have a variety of environmental impacts. Ongoing operations are dependent on New Century satisfying environmental guidelines and, where required, being approved by government authorities.

New Century conducts, and intends to continue to conduct, its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

New Century's founding value and core ethos is economic mining rehabilitation. Consequently, New Century is committed to reducing negative impacts on the environments in which it operates. New Century has a rigorous environmental management system in place which is designed to meet and exceed the extensive statutory and regulatory obligations to which New Century's operations are subject.

(l) **Operating risks**

In common with other enterprises in the minerals and mining industry, New Century's mineral production, development and related mining activities, including the delivery of supplies and consumables and the transportation of products to customers are subject to conditions beyond New Century's control that can reduce production and sales and increase costs. These conditions include, but are not limited to: changes in legislative requirements (including those made to address COVID-19); market conditions; supply constraints and disruptions; government policies; exchange rates; adverse weather or climatic conditions; natural disasters; unexpected maintenance,

equipment or other technical problems; key equipment failures; industrial disruption; and variations in geological conditions.

An inability to secure ongoing supply of goods and services at prices assumed within production budgets and targets, or a disruption to the supply chain when delivering goods to customers, could potentially impact the results of New Century's operations, and in a worst-case scenario, result in a shutdown of Century or inability to acquire Mt Lyell.

New Century has management systems in place to mitigate these risks, including in relation to inventory management, maintenance systems, contractor management and crisis and emergency response plans.

(m) **Offtake risk**

New Century has numerous offtake contracts in place for the sale of zinc concentrate. There is a risk New Century is unable to consistently meet product specifications or delivery obligations under these agreements. In these circumstances, New Century's cash flow may be adversely affected or curtailed.

New Century's cash flow and financial position will also depend on the performance by counterparties of their contractual obligations, including the timely payment in full of their purchases of product from New Century on the agreed terms and conditions. Title to the product typically does not transfer to the customer until the initial provisional payment is made. Typically, the initial provisional payment will be between 80% and 100% of the value of the product based on prices at the time of the sale. Purchases of concentrate are typically payable in arrears, based on a reassessment of the quantity and specification of the product delivered and the zinc and silver prices over the quotational period. Any delay in receipt, or inability or refusal to pay in full, will negatively impact New Century's cash flow and financial position.

New Century may be required to pay additional amounts at the time of the finalisation of the contract if the final quantity, grade or market price has moved against New Century, or alternatively, receive additional amounts if the quantity, grade or market price has moved favourably for New Century.

(n) **Key personnel and labour market risk**

The ability of New Century to achieve its objectives depends on the retention of key management and operational staff who constitute its technical, operational, marketing, corporate and commercial expertise. If New Century cannot secure and retain this expertise or if the services of key personnel cease to become available to New Century, this failure may affect New Century's ability to achieve its objectives either fully or within the timeframe and budget New Century has decided.

The ability of New Century to achieve its objectives also depends on the retention of certain key external contractors that provide a number of important services and operational capabilities (for example, certain specialised maintenance and technical support services) which are an important part of New Century's overall technical and operational expertise. If New Century cannot secure and retain this technical expertise or if the services of such key external contractors cease to become available to New Century, this failure may affect New Century's ability to achieve its objectives either fully or within the timeframe and budget New Century has decided.

While the ability of New Century to achieve its objectives may be affected by the matters mentioned above, New Century believes that appropriately skilled and experienced professionals and external contractors are available to provide services to New Century at market levels in the event some key management and operational personnel and external contractors cease to be available.

(o) **Reliance on key contractors**

New Century relies on a number of key contractors for the provision of specialised technical and logistics services. Any delay in contractors completing work or encountering operational difficulties may lead to a loss of revenue and increased costs.

There is also a risk that the loss of one or more contracts with key contractors, including due to insolvency of the contractor, may lead to an increase in New Century's costs of production or even loss of production.



New Century has considered and continues to consider various mitigants within its risk management processes to deal with the loss of a key contractor, but cannot guarantee the loss of a key contractor will not lead to an increase in costs and decrease in revenue.

(p) **Licences and permits**

New Century's mining and exploration activities are dependent on the maintenance of appropriate licences, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintaining of licences, obtaining renewals, or getting licences granted, often depends on New Century being successful in obtaining required statutory approvals for its proposed activities and that the licences, leases, permits or consents it holds will be renewed as and when required. There is no assurance that these renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed.

New Century's mining tenements generally require New Century to continue to satisfy expenditure or work commitments applicable to each tenement. This expenditure cannot be guaranteed.

New Century's mining tenements may be relinquished either in total or in part, even though a viable mineral deposit may be present, in the event that:

- (i) exploration or production programmes yield negative results;
- (ii) insufficient funding is available to meet the holding requirement;
- (iii) a tenement is considered by New Century to not meet the criteria of New Century;
- (iv) a tenement's relative perceived prospectivity is less than that of other tenements in New Century's portfolio, which take a higher priority; or
- (v) a variety of other reasons.

(q) **Business development initiatives**

New Century maintains an ongoing process for reviewing a range of resource assets within the base metals and clean energy sectors for the purposes of assessing the suitability of these opportunities for potential corporate transactions.

As part of this strategy, New Century may make acquisitions or significant investments in companies, joint ventures, tenements or resource projects. If Sibanye fails to reach the 90% compulsory acquisition threshold, New Century may also elect to issue Shares or engage in capital raisings to fund investments, mergers or acquisitions that New Century may decide to undertake if the opportunity arises. Any future transactions would be accompanied by the risks commonly encountered in making acquisitions of companies or mining projects. These risks include the potential dilution of New Century Shareholders' holdings, an increase in the current debts of New Century or the imposition of further obligations on New Century subject to any contractual agreements and the usual risks associated with mining projects. New Century anticipates that this strategy will be reviewed as part of Sibanye's strategic review following close of the Offer.

(r) **Estimation of Mineral Resources and Ore Reserves**

There is a degree of uncertainty to the estimation of Mineral Resources and Ore Reserves (as those terms are defined in the JORC Code) and corresponding grades being mined or assigned to future production. Until Mineral Resources or Ore Reserves are actually mined, processed and reconciled, the quantity of Mineral Resources and Ore Reserves must be considered as estimates only. In addition, estimates of Mineral Resources and Ore Reserves may vary depending on, among other things, zinc, lead, silver, copper and gold prices. Any material change in the actual quantity and grades of Mineral Resources or Ore Reserves may affect the economic viability of the properties.

Fluctuations in the price of commodities including zinc, lead, silver, copper and gold, results of drilling, metallurgical testing and the evaluation of mine plans subsequent to the date of any Mineral Resource estimate may require revision of these estimates. Any material reductions in estimates of Mineral Resources or Ore Reserves could have a material adverse effect on New Century's financial condition.



New Century mitigates this risk by ensuring its Mineral Resource and Ore Reserve estimates are subject to appropriate levels of governance and internal controls.

(s) **Occupational health and safety risk**

Mining activities have inherent risks and hazards. New Century is committed to providing a safe and healthy workplace and environment for its personnel, contractors and visitors. New Century provides appropriate instructions, equipment, preventative measures, first-aid information, medical facilities and training to all stakeholders through its occupational health and safety management systems. While New Century has a strong record in achieving high quality safety performance at its sites, a serious site safety incident may expose New Century to significant penalties and New Century may be liable for compensation to the injured personnel. These liabilities may not be covered by New Century's insurance policies or, if they are covered, may exceed New Century's policy limits or be subject to significant deductibles. Also, any claim under New Century's insurance policies could increase New Century's future costs of insurance. Accordingly, any liabilities for workplace accidents could have a material adverse impact on New Century's liquidity and financial results.

It is not possible to anticipate the effect on New Century's business from any changes to workplace occupational health and safety legislation or directions or necessitated by concern for the health of the workforce. Any changes may have an adverse impact on the financial performance and financial position of New Century.

(t) **Market conditions**

Securities exchange market conditions may affect the value of New Century's quoted securities regardless of New Century's operating performance. Securities exchange market conditions are affected by many factors, including:

- (i) general economic outlook;
- (ii) zinc, lead, silver, gold and copper prices, exchange rates, commodity treatment charges and other economic determinates of New Century's business;
- (iii) tax reform or other new legislation;
- (iv) changes in interest rates and inflation rates;
- (v) changes in investor sentiment toward particular market sectors;
- (vi) the demand for, and supply of, capital; and
- (vii) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and mining stocks in particular. New Century cannot warrant the future performance of New Century or any return to security holders.

(u) **Provision for statutory obligations**

Within the 31 December 2022 Financial Statements contained in the 'Half Yearly Report and Accounts' ASX Announcement released by the Company on 27 February 2023, a statutory obligation of A\$19.3 million was recognised as a current liability in trade and other payables. A\$16.8 million was disclosed as a restatement in Note 20 to the 31 December 2022 Financial Statements. Between 1 July 2022 and 31 December 2022, an amount of A\$2.5 million was recognised by New Century in respect of the same statutory obligation. There is a risk that this statutory obligation becomes payable in the second half of the 2023 financial year. New Century is mitigating this risk by working collaboratively with the counterparty. Further, legal and taxation experts have been retained to explore the potential for deferment and/or challenging the validity and quantum of this statutory obligation.

### **5.3 Risks relating to the outcome of the Offer**

Maintaining your investment in New Century may attract the following risks, depending on the outcome of the Offer.

(a) **Liquidity of the Shares**

The Shares acquired by Sibanye Australia under the Offer and on-marketing trading has substantially reduced the number of Shares available for trading on the ASX. This reduction has reduced the liquidity of the Shares, as has been the case in other ASX listed entities where major shareholders have taken control or further increased their existing level of majority control of the particular entity. Depending on the level of acceptances under the Offer, the liquidity of the Shares may be further reduced, which may adversely affect the price at which they might otherwise be expected to trade.

Sibanye Australia has stated its intention to cause New Century to apply to the ASX for removal from the official list as soon as it is in a position to do so, subject to meeting the ASX's requirements. As Sibanye and its associates including Sibanye Australia have acquired a Relevant Interest in more than 75% of New Century, they are now in a position to pursue the proposed delisting of New Century. In the event that Sibanye Australia fails to reach the 90% compulsory acquisition threshold but does satisfy the ASX's requirements to delist New Century, then any remaining New Century Shareholders would become shareholders in an unlisted company and may find it difficult to sell their Shares, or to sell their shares at a price equal to the Offer.

(b) **Control risk**

Sibanye and its associates including Sibanye Australia are now the controlling shareholder in New Century with an interest of 78.31% as at the Last Practicable Trading Date.<sup>16</sup> Sibanye Australia's intentions for New Century are described in Section 3 (*Sibanye's Intentions*) of the Sibanye Bidder's Statement, but those intentions may change, particularly as a result of the general strategic review which Sibanye Australia states that it will undertake. If Sibanye Australia does not obtain 90% and proceed with compulsory acquisition and you subsequently choose to dispose of your Shares after changes to the business are implemented, you may be doing so at a time when market conditions are less favourable than those prevailing at the date of this Target's Statement.

(c) **Compulsory acquisition**

If you choose not to accept the Offer and Sibanye Australia subsequently exercises compulsory acquisition rights, you will be paid later than New Century Shareholders who accept the Offer.

(d) **Triggering change of control provisions**

As Sibanye and its associates including Sibanye Australia have acquired effective control of New Century there may be adverse consequences for New Century, including under the EBF (see the discussion in Section 5.2(g) (*Compliance with debt facilities, mandatory hedging and credit risk*) above). Contracts to which New Century or its subsidiaries are a party may contain 'change of control' or similar clauses which may be triggered by Sibanye's controlling interest. Although New Century and various of its Subsidiaries have entered into other contracts that contain change of control provisions that may be triggered if Sibanye Australia acquires New Century Shares as a result of the Offer, New Century does not consider any of those contracts to be material in the context of New Century or the New Century Group taken as a whole. There is a risk that the counterparties to the relevant contracts may seek enforce contractual rights that are adverse to the New Century Group as a result of the change of control.

## 5.4 General risks

(a) **Regulatory risks**

New Century will incur ongoing costs and obligations associated with compliance with the applicable regulations. Any failure to comply with these regulations may result in additional costs for corrective measures, penalties or in restrictions on New Century's proposed business operations. In addition, changes in regulations could require extensive changes to New Century's operations,

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<sup>16</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

increased compliance costs or give rise to material liabilities, which could have a material adverse effect on the business, results of operations and financial condition of New Century.

(b) **Force majeure**

New Century's projects, now or in the future, may be adversely affected by risks outside the control of New Century, including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics, pandemics or quarantine restrictions. These risks could result in production delays or disruptions to New Century's operations. In addition, the negative impacts of climate change could increase the frequency of severe weather resulting in increased natural risks.

(c) **Insurance risks**

New Century maintains insurance coverage that is substantially consistent with mining industry practice. However, there is no guarantee that this insurance or any future necessary coverage will be available to New Century at economically viable premiums, if at all, or that, in the event of a claim, the level of insurance carried by New Century now or in the future will be adequate, or that a liability or other claim would not materially and adversely affect New Century business.

(d) **Litigation risks**

All industries, including the mining industry, are subject to legal claims, with and without merit. Defence and settlement costs of legal claims can be substantial, even in circumstances where a claim lacks merit. Due to the inherent uncertainty of the litigation process, the resolution of any legal proceeding to which New Century may become subject could have a material effect on its financial position and financial performance.

As set out in Section 5.2(c) (*Future capital requirements*), the appropriate amount of the financial assurance bond to be put in place with the Queensland Government remains subject to an appeal process being heard within the Land Court of Queensland as at the Last Practicable Trading Date. The maximum exposure to a possible increase in the financial assurance bond is approximately \$15 million.

Litigation risks relating to New Century include, but are not limited to, native title claims, tenement disputes, environmental claims, contractual claims, occupational health and safety claims, employee claims, regulatory disputes and the costs associated with those claims and disputes.

(e) **Competition risk**

The industry in which New Century is involved is subject to domestic and global competition, including major mineral exploration and production companies. Although New Century will undertake all reasonable due diligence in its business decisions and operations, it has no influence or control over the activities or actions of its competitors, which activities or actions may, positively or negatively, affect the operating and financial performance of New Century's operations.

New Century's current and future potential competitors may include entities with greater financial and other resources than New Century which, as a result, may be in a better position to compete for future business opportunities. Many of New Century's competitors explore for and produce minerals, but also carry out refining operations and other projects on a worldwide basis. There can be no assurance that New Century as a standalone entity can compete effectively with these entities.

(f) **Government and legal risk**

Changes in government, monetary policies, taxation and other laws (including regarding COVID-19) may have a significant impact on New Century's assets, operations and, ultimately, the financial performance of New Century and its Shares. These changes are likely to be beyond the control of New Century and may affect industry profitability as well as New Century's capacity to explore and mine.

Changes in community attitudes on matters such as taxation, competition policy and environmental issues may bring about reviews and, possibly, changes in government policies. There is a risk that these changes may affect New Century's operations or development plans or its rights and

obligations in respect of its permits. Any government action may also require increased capital or operating expenditures and could prevent or delay certain operations by New Century.

New Century monitors legislative and regulatory developments in Australia and overseas and works to ensure that all stakeholder concerns are addressed fairly and managed.

(g) **Negative publicity may adversely affect the Share price**

Any negative publicity or announcement relating to New Century, its substantial Shareholders or key personnel may adversely affect the performance of the Shares, whether or not this publicity or announcement is justifiable. Examples of negative publicity or announcements may include failed attempts in takeovers, joint ventures or other business transactions such as those with local community groups and involvement in legal or insolvency proceedings.

(h) **Taxation risk**

New Century is subject to taxation and other imposts. Changes in taxation laws (including transfer pricing), or changes in the interpretation or application of existing laws by courts or applicable revenue authorities, may affect the taxation of New Century's business activities and adversely affect New Century's financial condition.

In addition, the ability of New Century to obtain the benefit of existing taxation losses and claim other beneficial taxation attributes may be adversely affected by changes in ownership, business activities, levels of taxable income and any other conditions, for example, relating to the use of the taxation losses. Further detail about New Century's existing taxation losses is set out in New Century's 2022 Annual Report released on 29 August 2022.

(i) **Climate change risk**

Climate change is a risk New Century has considered and is embedded within the Company's Risk Management Framework, particularly related to its operations in the mining industry. The climate change risks particularly attributable to New Century include:

- (i) The emergence of new or expanded regulations associated with transitioning to a lower-carbon economy and market changes related to climate change mitigation. New Century may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit among an array of possible restraints on the mining industry that may further impact New Century and its profitability. While New Century will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that New Century will not be impacted by these regulations.
- (ii) Climate change may cause certain physical and environmental risks that cannot be predicted by New Century, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. All these risks associated with climate change may significantly change the industry in which New Century operates.

New Century adopts a risk management approach to address climate change risk. Risk management tools include improving operational responses to the wet-season impacts on hydraulic mining operations and maintaining close engagement with the Karumba Port Authority to ensure channel maintenance and dredging is undertaken in a manner that will ensure the potential impacts of severe weather are managed and addressed.

New Century refers to its operational updates released on 9 March 2023 and 17 March 2023 in relation to rainfall events in Northwest Queensland which continues to have an impact on operations at Century and the Karumba Port Facility. The Board notes that production has been suspended at Century, with only critical dewatering and maintenance activities continuing. Production will not recommence until the weather improves and safe access to the production areas can be re-established. New Century Shareholders should refer to the full update in the 'Operational Update – Century Mine and Karumba Port Facility' ASX Announcement released on 17 March 2023.

(j) **Speculative investment**

The above list of risk factors should not be taken as an exhaustive list of risks faced by New Century or by investors in New Century. The above factors, and others not specifically referenced above, may in the future materially affect the financial performance of New Century. New Century Shareholders should be mindful that their investment in New Century is highly speculative and should consult their professional advisers before deciding whether to accept the Offer.

## **6 OTHER IMPORTANT INFORMATION ABOUT THE OFFER**

Sibanye Australia announced the Offer to Shareholders to acquire all of their New Century Shares for an Offer Price of \$1.10 per Share and released a copy of the Sibanye Bidder's Statement to ASX on 21 February 2023.

### **6.1 The Offer**

Sibanye Australia is offering to acquire all of your Shares, including any rights attaching to those Shares.

Unless you hold some of your New Century Shares as a trustee or nominee for, or otherwise on account of, another person, you may only accept the Offer in respect of all of your New Century Shares. You cannot accept the Offer in respect of only some of your New Century Shares.

### **6.2 Offer Price**

Sibanye Australia is offering \$1.10 in cash for every New Century Share that you hold.

### **6.3 Offer Period and acceptance**

The Offer is open for acceptance during the Offer Period, which commenced on 7 March 2023 and closes at 7.00pm (Sydney time) on 11 April 2023, unless it is withdrawn or the Offer Period is extended in accordance with the Corporations Act. If you choose to accept the Offer, then your acceptance must be received by Sibanye Australia before the end of the Offer Period. Instructions on how to accept the Offer are set out in the Sibanye Bidder's Statement and on the Acceptance Form. If you want to accept the Offer, then you should follow these instructions carefully to ensure that your acceptance is valid.

If your New Century Shares are in a CHESS holding and you want to accept the Offer, then you can accept the Offer by either:

- instructing your Controlling Participant (usually your broker) to accept the Offer on your behalf before the end of the Offer Period. You should give instructions to your Controlling Participant in sufficient time before the end of the Offer Period to allow your broker to initiate your acceptance under the CHESS system; or
- completing and signing the Acceptance Form in accordance with the instructions on the form, and returning it (together with all other documents required by the instructions) to one of the addresses specified on the form. To be effective, you must ensure that the Acceptance Form is received by 7pm (Sydney time) on the last day of the Offer Period.

If your New Century Shares are in an issuer sponsored holding and you want to accept the Offer, then you should complete and deliver the Acceptance Form (including all other documents required by the instructions on the form) in sufficient time that it is received by Sibanye Australia before the end of the Offer Period.

### **6.4 Extension of the Offer Period**

Sibanye Australia may extend the Offer Period at any time before the end of the Offer Period.

Sibanye Australia must extend the Offer Period if, within the last seven days of the Offer Period, Sibanye Australia improves the Offer Price. If that happens, then the Offer must be extended so it ends 14 days after that event.

### **6.5 Withdrawal of the Offer**

Before you accept the Offer, Sibanye Australia may be able to withdraw the Offer if it obtains the written consent of ASIC, subject to the conditions (if any) specified in such consent.

## 6.6 Sibanye's Offer is conditional

The Offer is conditional upon none of the Prescribed Occurrences set out in Section 7.11 (*Defeating Condition*) of the Sibanye Bidder's Statement occurring between the Announcement Date and the end of the Offer Period (the *Defeating Condition*).

## 6.7 Consequences of the Defeating Condition not being fulfilled

You should be aware that if the Defeating Condition is not fulfilled, the Defeating Condition may be waived by Sibanye.

If the Defeating Condition is not fulfilled, and has not been waived, by the end of the Offer Period, your acceptance of the Offer is automatically void. Generally speaking, Sibanye Australia would not have to decide whether to proceed with the acquisition of New Century Shares under the Offer until the date that it is required to provide its Notice of Status of Defeating Condition which, as set out in Section 6.8 (*Notice of Status of Defeating Condition*), can be postponed if the Offer Period is extended.

## 6.8 Notice of Status of Defeating Condition

The Sibanye Bidder's Statement indicates that Sibanye Australia will give a Notice of Status of the Defeating Condition by 4 April 2023 (subject to extension in accordance with the Corporations Act if the Offer Period is extended).

## 6.9 Effect of acceptance

Accepting Sibanye Australia's Offer would:

- **prevent you from accepting any higher takeover bid** that may be made by a third party or any alternative transaction proposal (should a third party bid or alternative transaction proposal emerge) that may be recommended by the New Century Board. As at the date of this Target's Statement, no competing proposal has emerged for New Century; and
- **relinquish control of your New Century Shares to Sibanye Australia** with no guarantee of payment until the Offer becomes, or is declared, unconditional – as the Offer Period could be extended by Sibanye Australia so that the Offer is open for up to 12 months, which could result in further delays in payment from Sibanye Australia;
- **give Sibanye Australia the option to keep your New Century Shares** if the Defeating Condition is not fulfilled or waived **or return your New Century Shares** (as set out in Section 7.12 (*Nature and operation of Defeating Condition*) of the Sibanye Bidder's Statement); and
- **prevent you from selling your shares on ASX** in the event that the New Century Shares trade at prices above the \$1.10 being offered to you by Sibanye.

If Sibanye Australia improves the Offer Price, then all New Century Shareholders who accept the Offer (whether or not they have accepted prior to that improvement) will be entitled to the benefit of that improved price.

The effect of acceptance of the Offer is explained in more detail in Section 7.9 (*Your agreement*) of the Sibanye Bidder's Statement. You should read those provisions in full to understand the effect that acceptance will have on your ability to exercise the rights attaching to your New Century Shares and the representations and warranties that you are deemed by Sibanye Australia to give to it by accepting the Offer.

## 6.10 No withdrawal rights

If you accept the Offer, you will have a right to withdraw your acceptance in some limited circumstances. Those withdrawal rights comprise general statutory withdrawal rights under the Corporations Act and specific withdrawal rights included in the terms of the Offer. In summary:

### (a) Statutory withdrawal rights under the Corporations Act

Under the Corporations Act, you may withdraw your acceptance of the Offer if Sibanye Australia varies its Offer in a way that postpones, for more than one month, the time at which Sibanye



Australia needs to meet its obligations under the Offer. This will occur if Sibanye Australia extends the Offer Period by more than one month and the Offer is still subject to conditions.

In those circumstances, you will have a period of one month after the date that the Offer is extended to withdraw your acceptance. Your statutory withdrawal rights will terminate upon the expiry of that one month period, although if the Offer Period is then further extended you may receive further statutory withdrawal rights.

(b) **Withdrawal rights under the terms of the Offer**

The terms of the Offer include that if, by the end of the Offer Period, the Defeating Condition has not been fulfilled or waived, the contract resulting from your acceptance of the Offer will automatically be void.

## 6.11 Compulsory acquisition

(a) **Post-bid compulsory acquisition**

As noted in Section 3.3 (*Intentions for New Century as a wholly-owned controlled entity*) of the Sibanye Bidder's Statement, Sibanye Australia will be entitled to compulsorily acquire any outstanding New Century Shares for which it has not received acceptances on the same terms as the Offer if, during or at the end of the Offer Period, Sibanye Australia (taken together with its associates) has a Relevant Interest in at least 90% (by number) of Shares.

If the compulsory acquisition thresholds are met, then Sibanye Australia will have one month from the end of the Offer Period within which to give compulsory acquisition notices to New Century Shareholders who have not accepted the Offer, but it may choose to commence compulsory acquisition as soon as the relevant thresholds are satisfied.

A New Century Shareholder has statutory rights to challenge compulsory acquisition, but this will require the relevant Shareholder to establish to the satisfaction of a court that the terms of the Offer do not represent fair value for the New Century Shares. New Century Shareholders should be aware that, if their New Century Shares are acquired compulsorily, they are not likely to receive any payment until at least one month after the compulsory acquisition notices are sent.

(b) **General compulsory acquisition**

Sibanye's general compulsory acquisition rights may be triggered even if Sibanye Australia does not reach the 90% compulsory acquisition threshold described in Section 6.11(a) (*Post bid compulsory acquisition*).

Under Part 6A.2 of the Corporations Act, Sibanye Australia will be entitled to compulsorily acquire any New Century Shares if Sibanye Australia (either alone or together with a related body corporate) holds full beneficial interests in at least 90% (by number) of New Century Shares.

If this threshold is met, Sibanye Australia will have six months after Sibanye Australia becomes a 90% holder within which to give compulsory acquisition notices to the relevant New Century Shareholders. The compulsory acquisition notices sent to the Shareholders must be accompanied by an independent expert's report and an objection form.

The independent expert's report must set out whether the terms of the compulsory acquisition give 'fair value' for the Shares concerned and the independent expert's reasons for forming that opinion.

If New Century Shareholders with at least 10% of the Shares covered by the compulsory acquisition notice object to the acquisition before the end of the objection period (which must be at least one month), then Sibanye Australia may apply to the court for approval of the acquisition of the New Century Shares covered by the notice. The costs incurred by any New Century Shareholder who objects in legal proceedings in relation to the compulsory acquisition must be borne by Sibanye, unless the court is satisfied that the Shareholder acted improperly, vexatiously or otherwise unreasonably.

## **6.12 Implications of Sibanye Australia acquiring less than 90% of New Century Shares**

If Sibanye Australia acquires a majority but not all of the New Century Shares, then the number of New Century Shares traded on ASX could be significantly reduced, thereby potentially lessening the price at which the Shares held by New Century Shareholders who do not accept the Offer trade. New Century Shares could become an illiquid and infrequently traded share and, as such, the ASX market price may no longer be a reliable indicator of value.

There are a number of further possible implications, including:

- Sibanye and its associates including Sibanye Australia will be in a position to cast the majority of votes at a general meeting of New Century. This will enable it to control the composition of the New Century Board and senior management and to control the strategic direction of New Century and its Subsidiaries;
- Sibanye Australia has stated in Section 3.4 (*Intentions for New Century as a part owned controlled entity*) of the Sibanye Bidder's Statement that, subject to the Corporations Act and the New Century Constitution, Sibanye Australia may replace some or all of the non-executive New Century Directors with nominees of Sibanye Australia;
- Sibanye Australia has stated in Section 3.4 (*Intentions for New Century as a part owned controlled entity*) of the Sibanye Bidder's Statement that it intends to cause New Century to apply to the ASX for removal from the official list as soon as it is in a position to do so, subject to meeting ASX's requirements; and
- having acquired more than 75% of New Century Shares, Sibanye and its associates, including Sibanye Australia will be able to pass special resolutions at meetings of New Century Shareholders. This will enable Sibanye and its associates to, among other things, change the New Century Constitution.

## 7 DIRECTORS' RECOMMENDATION AND INTERESTS

### 7.1 Directors' recommendation

In assessing the Offer, the New Century Directors have taken into account many considerations, including the information set out in the Sibanye Bidder's Statement and this Target's Statement.

Based on this assessment, the New Century Directors recommend that Shareholders accept the Offer in the absence of a competing proposal, for the reasons set out in Section 1.2 to Section 1.10. In considering whether you wish to follow this recommendation, you should:

- read this Target's Statement in its entirety;
- consider your individual risk profile, investment strategy, tax position and financial circumstances; and
- obtain independent advice from your investment, financial, taxation or other adviser.

If you hold New Century Shares as a short term investment, and you decide that you wish to sell your New Century Shares now, you should also consider either accepting the Offer or, if the ASX price for the Shares (less brokerage costs) is above the Offer Price, selling your New Century Shares on the ASX.

### 7.2 Intentions of the Directors

Each Director intends to accept, or procure the acceptance of, the Offer in respect of Shares which they hold or control, in the absence of a competing proposal (or, where New Century Shares are trading above the Offer Price at the relevant time, they may decide to sell their Shares on the ASX at that higher price).

### 7.3 Directors' interests and dealings in New Century securities

#### (a) Relevant Interests and dealings in New Century securities

As at the date of this Target's Statement, the New Century Directors have the following Relevant Interests in New Century Shares:

New Century Director	Number of Shares
Kerry Gleeson	14,111
Peter Watson	35,186
Robert Cooper	Nil <sup>1</sup>

<sup>1</sup> Robert Cooper has an interest in 358,898 Performance Rights expiring on 1 July 2027. See Section 4.8 (*Capital structure*) for further detail about the terms of the Performance Rights.

No New Century Director acquired or disposed of any marketable securities in Sibanye Australia or Sibanye within the period of four months immediately preceding the date of this Target's Statement.

#### (b) Relevant Interests and dealings in Sibanye securities

No New Century Director had a Relevant Interest in any securities of Sibanye or Sibanye Australia as at the date immediately before the date of this Target's Statement.

No New Century Director acquired or disposed of a Relevant Interest in any securities in Sibanye or Sibanye Australia in the four month period ending on the date immediately before the date of this Target's Statement.

#### (c) Benefits and agreements

Except as disclosed in this Target's Statement:

##### (i) Benefits in connection with retirement from office or transfer of property

No New Century Director, Company Secretary or other key management personnel has been, or will be, given any payment or other benefit (other than a payment or other benefit

which can be given without member approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of New Century or any related body corporate of New Century as a result of the Offer, or in connection with the transfer of the whole or any part of the undertaking or property of New Century.

**(ii) Agreements connected with or conditional on the Offer**

There are no agreements made between any Director and any other person in connection with, or conditional upon, the outcome of the Offer other than in their capacity as a holder of New Century Shares, Options, Performance Rights or Retention Rights.

**(iii) Benefits from Sibanye Australia**

None of the New Century Directors has agreed to receive, or is entitled to receive, any benefit from Sibanye Australia or any related body corporate of Sibanye Australia which is conditional on, or is related to, the Offer, other than in their respective capacity as a holder of New Century Shares, Options, Performance Rights or Retention Rights.

**(iv) Interests of New Century Directors in contracts with Sibanye Australia**

None of the Directors has any interest in any contract with Sibanye Australia, or a related body corporate of Sibanye Australia, other than in their capacity as a holder of New Century Shares, Options, Performance Rights or Retention Rights.

**(v) No pre-transaction benefits**

During the period of four months before the date of this Target's Statement, neither New Century nor any associate of New Century gave, or offered to give, or agreed to give, a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

- (A) vote in favour of the Offer; or
- (B) dispose of their Shares,

and which will not be provided to all New Century Shareholders.

## 8 AUSTRALIAN TAXATION CONSIDERATIONS

### 8.1 Introduction

The following is a general summary of the Australian income tax, goods and services tax (**GST**), and stamp duty implications for certain New Century Shareholders who either accept the Offer and dispose of their New Century Shares to Sibanye, or whose New Century Shares are compulsorily acquired by Sibanye Australia in accordance with Part 6A.1 of the Corporations Act. This summary assumes that the Offer will be implemented in accordance with the terms described in the Sibanye Bidder's Statement.

The summary provided below is not applicable to all New Century Shareholders. This summary is relevant to New Century Shareholders who are individuals, companies (other than life insurance companies), trusts and complying superannuation funds that hold their New Century Shares on capital account for Australian tax purposes and does not apply to New Century Shareholders who:

- hold their New Century Shares on revenue account (such as share trading entities or entities who acquired their New Century Shares for the purposes of resale at a profit) or as trading stock;
- hold their New Century Shares under an employee share scheme offered by New Century or otherwise hold Options that will vest under the Offer where those New Century Shares or Options remain subject to deferred taxation under Division 83A of the *Income Tax Assessment Act 1997* (Cth) (**ITAA 1997**);
- may be subject to special tax rules, such as partnerships, tax exempt organisations, insurance companies, dealers in securities or shareholders who change their tax residency while holding their New Century Shares;
- have a functional currency for Australian tax purposes other than an Australian functional currency;
- are subject to the Investment Manager Regime under Subdivision 842-I of the ITAA 1997 in respect of their New Century Shares;
- are foreign residents of Australia who hold their New Century Shares in carrying on a business through a permanent establishment in Australia; or
- are subject to the taxation of financial arrangements rules in Division 230 of the ITAA 1997 in relation to gains and losses on their New Century Shares.

This summary is based on the provisions of the *Income Tax Assessment Act 1936* (Cth) (**ITAA 1936**), the ITAA 1997, the *Taxation Administration Act 1953* (Cth) (**TAA**) and the *A New Tax System (Goods and Services Tax) Act 1999* (Cth) (**GST Act**) as at the date of this Target's Statement. The laws are complex and subject to change periodically, as is their interpretation by the courts and the tax authorities.

This summary is general in nature only, and it is not intended to be an authoritative or complete statement of the tax laws applicable to the particular circumstances of a New Century Shareholder. The precise implications of ownership or disposal of their New Century Shares will depend upon each New Century Shareholder's specific circumstances. This summary should not be viewed as a substitute for advice from an appropriate professional advisor having regard to each New Century Shareholder's individual circumstances.

New Century Shareholders are urged to consult their own tax adviser for independent tax advice regarding the specific tax consequences of the Offer which are tailored to their own particular circumstances. New Century Shareholders should not solely rely on this summary in relation to the taxation implications of accepting the Offer.

This summary does not take into account the tax law of countries other than Australia Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should take into account the tax consequences of the Offer under the laws of their country of residence, as well as under Australian law, of acceptance of the Offer.

To persons receiving this document in Australia:

The information contained in this Section 8 does not constitute "financial product advice" within the meaning of the Corporations Act. To the extent that this document contains any information about a "financial product" within the meaning of the Corporations Act, taxation is only one of the matters that must be

considered when making a decision about the relevant financial product. This material has been prepared for general circulation and does not take into account the objectives, financial situation or needs of any recipient. Accordingly, any recipient should, before acting on this material, consider taking advice from a person who is licensed to provide financial product advice under the Corporations Act.

Any recipient should, before acting on this material, also consider the appropriateness of this material having regard to their objectives, financial situation and needs and consider obtaining independent financial advice.

## **8.2 Australian Resident New Century Shareholders**

### **(a) New Century Shareholders who accept the Offer**

Acceptance of the Offer by a New Century Shareholder will result in the disposal of their New Century Shares to Sibanye Australia in exchange for cash consideration. This disposal of the New Century Shares to Sibanye Australia will give rise to capital gains tax (**CGT**) event A1 for New Century Shareholders.

The time of the CGT event should be the date the New Century Shareholder accepts the Offer. However, if a New Century Shareholder does not ultimately dispose of their New Century Shares, for example if the conditions are not fulfilled, then no such CGT event will occur.

### **(b) Compulsory acquisition**

If a New Century Shareholder does not dispose of their New Century Shares under the Offer and their New Century Shares are compulsorily acquired in accordance with Part 6A.1 of the Corporations Act, those New Century Shareholders will also be treated as having disposed of their New Century Shares and will give rise to CGT event A1 for those New Century Shareholders.

In this case, the time of the CGT event should be the date when the New Century Shareholder ceases to be the owner of the New Century Shares.

### **(c) Calculation of capital gain or capital loss**

Broadly New Century Shareholders will:

- make a 'capital gain' if the capital proceeds received by the New Century Shareholders from the disposal of their New Century Shares exceeds the cost base of their New Century Shares; or
- make a 'capital loss' if the capital proceeds received by the New Century Shareholders from the disposal of their New Century Shares are less than the reduced cost base of their New Century Shares.

New Century Shareholders who make a capital gain on the disposal of their New Century Shares will be required to include the net capital gain (if any) for the income year in their assessable income and aggregate the capital gain with any other capital gains the New Century Shareholder may have in that income year. Any resulting net capital gain (after applying any available capital losses from the current income year or brought forward from prior income years) should be reduced by any applicable CGT discount (discussed below).

A capital loss realised on the disposal of the New Century Shares may be applied to reduce other capital gains derived by a New Century Shareholder in the income year in which the capital loss is realised, or may be carried forward to reduce capital gains derived by the New Century Shareholder in future income years. Specific capital loss recoupment rules apply to companies and trusts, and may restrict their ability to utilise capital losses in future years in some circumstances. New Century Shareholders should obtain their own tax advice in relation to the operation of these rules.

### **(d) Capital Proceeds**

The capital proceeds for the CGT event arising from the disposal of New Century Shares under the Offer will consist of the money received, or entitled to be received, by a New Century Shareholder. Accordingly, the capital proceeds should be equal to the cash consideration (being \$1.10 per New Century Share) received under the Offer.

(e) **Cost base**

The cost base of a New Century Share should generally include the amount paid, or the market value of any property given, to acquire the New Century Share, plus any incidental costs of acquisition (for example, brokerage fees, legal costs and stamp duty). The reduced cost base of a New Century Share is usually determined in a similar (but not identical) manner to the cost base.

(f) **CGT discount**

In calculating the amount of capital gain on disposal of New Century Shares, a CGT discount may apply to New Century Shareholders who are individuals, trusts, or complying superannuation funds that have held New Century Shares for at least 12 months at the time of their CGT event (not including the date of acquisition or the date of disposal).

The applicable CGT discount which should reduce a capital gain arising from the disposal of New Century Shares is as follows:

- 50% for individuals and trusts; and
- 33 1/3% for a complying superannuation entity.

The CGT discount is not available for Australian resident New Century Shareholders that are companies.

If the New Century Shareholder makes a discounted capital gain, any current year and/or carried forward capital losses will be applied to reduce the undiscounted capital gain before the relevant CGT discount is applied. The resulting amount is then included in the New Century Shareholder's net capital gain for the income year and included in assessable income.

As the rules relating to discount capital gains for trusts are complex, New Century recommends that New Century Shareholders who are trustees seek their own independent advice on how the CGT discount provisions will apply to them and the trust's beneficiaries.

(g) **Non-Australian tax resident New Century Shareholders**

For a New Century Shareholder who:

- is not a resident of Australia for tax purposes, or the trustee of a foreign trust for CGT purposes; and
- has not used their New Century Shares at any time in carrying on a business through a permanent establishment in Australia,

the disposal of their New Century Shares will generally only result in Australian CGT implications if the New Century Shares are 'indirect Australian real property interests'. In broad terms, the New Century Shares will be 'indirect Australian real property interests' if

- that New Century Shareholder together with their associates (as defined under Australian taxation law) held an interest of 10% or more in New Century at the time of disposal or for at least a 12-month period during the 24 months preceding the disposal of their New Century Shares (referred to as a 'non-portfolio interest'); and
- the aggregate market value of New Century's assets which are taxable Australian property (being direct and indirect interests in Australian real property, including land, leases of land mining tenements and property affixed to land) exceeds the aggregated market value of New Century's assets which are not taxable Australian property (referred to as the 'principal asset test').

As at the date of this Target's Statement, New Century management anticipate that the aggregate market value of New Century's assets, which are taxable Australian property, exceeds the aggregate market value of New Century's assets which are not taxable Australian property. Accordingly, any foreign tax resident New Century Shareholder that holds, together with their associates, a 10% or more interest in New Century Shares (at the time of disposal or for at least 12 months during the 24 months prior to disposal of their New Century Shares) should be subject to Australian CGT.



Any non-Australian tax resident New Century Shareholder that may be subject to Australian CGT on the disposal of their New Century Shares may have some of their cash consideration withheld and remitted to the ATO under the 'foreign resident capital gains withholding' rules (discussed below).

New Century Shareholders that are non-Australian tax residents should seek independent tax advice as to the tax implications of the Offer, including tax implications in their country of residence.

### 8.3 Foreign Resident Capital Gains Withholding Tax

Under the 'foreign resident capital gains withholding' regime, Sibanye Australia may have an obligation to withhold and pay to the ATO an amount equal to 12.5% of the cash consideration paid for each New Century Share.

Sibanye Australia may be required to withhold under the foreign resident capital gains withholding regime if the New Century Shares qualify as "indirect real property interests" (see discussion above at Section 8.2) and Sibanye Australia:

- knows or reasonably believes that a New Century Shareholder is a foreign resident; or
- does not reasonably believe that the New Century Shareholder is an Australian resident, and either has an address outside Australia or Sibanye Australia is authorised to provide a financial benefit relating to the transaction to a place outside Australia.

#### (a) CGT Declaration form

A New Century Shareholder may provide Sibanye Australia with a signed and completed declaration (**CGT Declaration**) to declare that:

- the New Century Shareholder is an Australian resident for tax purposes; or
- the New Century Shares are 'membership interests' but not 'indirect Australian real property interests' (as those terms are defined in the Tax Act).

The CGT Declaration is contained in the Acceptance Form, accompanying the Sibanye Bidder's Statement. Each New Century Shareholder should read the CGT Declaration in full and follow the instructions provided on the form. If you are unsure of how to complete the form, you should consult your tax adviser.

#### (b) Withholding payment

Where a valid declaration has been made by a relevant New Century Shareholder, Sibanye Australia will not be required to withhold any amount on account of foreign resident capital gains withholding from the cash consideration.

Where no valid declaration has been made by a relevant New Century Shareholder or if Sibanye Australia reasonably believes that the information in the CGT Declaration is false:

- Sibanye Australia may deduct an amount equal to 12.5% (or some lesser amount approved by the Commissioner of Taxation) of the cash consideration payable to that New Century Shareholder;
- Sibanye Australia will be required to pay to the ATO the amounts deducted from the cash consideration; and
- the amount payable to the New Century Shareholder will not be increased to reflect the deduction and the amount payable to the New Century Shareholders will be taken to be in full and final satisfaction of the amounts owing to the New Century Shareholder.

Generally, New Century Shareholders who have an amount withheld under section 14-200 of Schedule 1 of the TAA should be entitled to a credit for that amount upon lodging an Australian income tax return.

New Century Shareholders that are non-Australian tax residents should seek their own independent tax advice as to the tax implications of the Offer, including in relation to the foreign resident capital gains withholding regime.

(c) **GST and stamp duty**

There should be no GST payable by New Century Shareholders in respect of the disposal of New Century Shares under the Offer regardless of whether the New Century Shareholders are registered for GST or not. New Century Shareholders may incur GST included in costs (such as adviser fees) that relate to the Offer. New Century Shareholders that are registered for GST may be entitled for input tax credits or reduced input tax credits for such costs. This will depend on each New Century Shareholders' individual circumstances.

Where a New Century Shareholder is not registered or required to be registered for GST, the disposal will be outside the scope of the GST. Otherwise, the sale of the New Century Shares will be an input taxed financial supply. Where this is the case, New Century Shareholders should obtain independent advice in relation to whether there is an ability to claim any input tax credits for the costs (such as legal or professional fees) associated with the disposal of the New Century Shares.

No stamp duty should be payable by New Century Shareholders on the disposal of New Century Shares and the receipt of cash consideration under the Offer. Any stamp duty payable in connection with the transfer of the New Century Shares to Sibanye Australia must be paid by Sibanye Australia.

## 9 OTHER MATERIAL INFORMATION

### 9.1 Potential impact of the Offer on New Century's material contracts

Other than as set out in Section 5.2(g) (*Compliance with debt facilities, mandatory hedging and credit risk*) New Century is not, after due inquiry, aware of any financing arrangement or other contract that has been entered into by New Century or any of its Subsidiaries, that New Century considers to be material in the context of New Century or the New Century Group taken as a whole, that contains a change of control provision that may be triggered if Sibanye Australia acquires New Century Shares as a result of the Offer. Control of New Century has already passed to Sibanye and its associates, including Sibanye Australia. As at the Last Practicable Trading Date, Sibanye announced that it had a Relevant Interest in 78.31% of the shares on issue.<sup>17</sup>

Although New Century and various of its Subsidiaries have entered into other contracts that contain change of control provisions that may be triggered if Sibanye Australia acquires New Century Shares as a result of the Offer, New Century does not consider any of those contracts to be material in the context of New Century or the New Century Group taken as a whole.

### 9.2 Changes in financial position

As at the date of this Target's Statement, within the knowledge of the New Century Directors, there have been no material changes to the financial position of New Century since 30 June 2022, being the date of New Century's latest Financial Report, except as disclosed in this Target's Statement or in New Century's half-year accounts to 31 December 2022 and other announcements to the ASX since 30 June 2022.

### 9.3 Material litigation

As at the date of this Target's Statement, there is no current litigation of a material nature against any member of the New Century Group. Further detail about ongoing litigation is set out in Section 5.4(d) (*Litigation risks*).

### 9.4 ASIC modifications and exemptions

ASIC has published various 'class order' instruments providing for modifications to, or exemptions from, the Corporations Act that apply generally to all persons, including New Century.

### 9.5 Consents

The following persons have given and have not, before the date of issue of this Target's Statement, withdrawn their consent to:

- be named in this Target's Statement in the form and context in which they are named;
- the inclusion of their respective reports or statements noted next to their names and the references to those reports or statements in the form and context in which they are included in this Target's Statement; and
- the inclusion of other statements in this Target's Statement that are based on or referable to statements made in those reports or statements, or that are based or referable to other statements made by those persons in the form and context in which they are included.

Name of Person	Named As	Reports or Statements
Allens	Legal adviser	Section 8
CIBC	Financial adviser	N/A
Automic Pty Ltd	New Century Share Registry	N/A

<sup>17</sup> See Sibanye's Form 604 (*Notice of change of interests of substantial holder*) dated 14 March 2023 and released to the ASX on 15 March 2023.

Each of the above persons:

- does not make, or purport to make, any statement in this Target's Statement other than those statements referred to above and as consented to by that person; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement other than as described in this Section 9.5 (*Consents*) with the person's consent.

As permitted by ASIC Class Order 13/521, this Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or given to the ASX, or announced on the Company Announcements Platform of the ASX, by New Century. Pursuant to this Class Order, the consent of persons to whom such statements are attributed is not required for the inclusion of those statements in this Target's Statement. As required by ASIC Class Order 13/521, any Shareholder who would like to receive a copy of any of those documents (or relevant extracts from those documents) may obtain a copy free of charge by contacting the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

See Section 9.7 (*Publicly available information*) of this Target's Statement for further details.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Target's Statement may include or be accompanied by certain statements:

- which fairly represent what purports to be a statement by an official person;
- which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

Pursuant to that Class Order, the consent of persons to whom such statements are attributed is not required for inclusion of those statements in this Target's Statement.

As permitted by ASIC Corporations (Consent to Statements) Instrument 2016/72, this Target's Statement also contains trading data obtained from IRESS without its consent.

## **9.6 Reliance on information obtained from Sibanye Australia or public sources**

The information in this Target's Statement about Sibanye and Sibanye Australia has been compiled from or is otherwise based on information obtained from Sibanye and Sibanye Australia or publicly available sources, and has not been independently audited or verified by Sibanye Australia or its advisers. If the information obtained from Sibanye and Sibanye Australia or the public sources is inaccurate or incomplete, this may affect the information included in this Target's Statement. In particular, if the information has been used as the basis for forward looking statements in this Target's Statement, this may add to the risk that actual values, results, performance or achievements will differ materially from those expressed or implied by the forward looking statements.

## **9.7 Publicly available information**

This Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or given to the ASX, or announced on the Company Announcements Platform of the ASX, by Sibanye.

As required by ASIC Class Order 13/521, any Shareholder who would like to receive a copy of any of those documents (or relevant extracts from those documents) may obtain a copy free of charge by contacting the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

## **9.8 Continuous disclosure**

New Century is a 'disclosing entity' under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules. These obligations require New Century to notify ASX of information about specified matters and events as they occur for the purpose of

making that information available to the market. In particular, New Century has an obligation (subject to limited exceptions) to notify ASX immediately on becoming aware of any information that a reasonable person would expect to have a material effect on the price or value of New Century Shares.

Copies of the documents filed with ASX may be obtained from the ASX website ([www.asx.com.au](http://www.asx.com.au)).

In addition, New Century will make copies of the following documents available for inspection at its registered office (between 9.00am and 5.00pm on Business Days):

- New Century's Annual Report for the year ended 30 June 2022;
- New Century's Constitution; and
- any continuous disclosure document lodged by New Century with ASX between the lodgement of its 2022 Annual Report on 29 August 2022 and the date of this Target's Statement.

Copies of the documents are also available on the New Century website ([www.newcenturyresources.com](http://www.newcenturyresources.com)) or may be requested to be provided free of charge by contacting the New Century Shareholder Information Line on (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia), Monday to Friday between 9.00am and 5.00pm (Sydney time).

## **9.9 Other information**

This Target's Statement is required to include all the information New Century Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer, but:

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and
- only if the information is known to any New Century Director.

The New Century Directors are of the opinion that the information that New Century Shareholders and their professional advisers would reasonably require to make an informed assessment of whether to accept the Offer is:

- the information contained in the Sibanye Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);
- the information contained in New Century's releases to ASX, and in the documents lodged by New Century with ASIC, prior to the date of this Target's Statement; and
- the information contained in this Target's Statement.

New Century and the New Century Directors have assumed, for the purposes of preparing this Target's Statement, that the information contained in the Sibanye Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, neither New Century nor the New Century Directors take any responsibility for the contents of the Sibanye Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the New Century Directors have had regard to:

- the nature of the New Century Shares;
- the matters New Century Shareholders may reasonably be expected to know;
- the fact that certain matters may reasonably be expected to be known to the professional advisers of New Century Shareholders; and
- the time available to New Century to prepare this Target's Statement.

## 10 DEFINITIONS AND INTERPRETATION

### 10.1 Definitions

The following definitions apply in this Target's Statement unless the context requires otherwise.

**Acceptance Form** means the transfer and acceptance form provided to you by Sibanye Australia with the Sibanye Bidder's Statement containing instructions on how to accept the Offer.

**Announcement Date** means the date of announcement of the Sibanye Bidder's Statement being 21 February 2023.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as 'ASX' operated by it.

**ASX Settlement** means ASX Settlement Pty Limited (ABN 49 008 504 532).

**ASX Settlement Operating Rules** means the operating rules of ASX Settlement or of any relevant organisation which is an alternative or successor to, or replacement of, ASX Settlement or of any applicable CS facility licensee.

**ATO** means the Australian Tax Office.

**Business Day** means a day on which the banks are open for business in Melbourne, other than a Saturday, Sunday or public holiday in Victoria.

**Century** has the meaning given in Section 4.1.

**Century Expansion Project** has the meaning given in Section 1.7.

**CGT** means capital gains tax.

**CGT Declaration** has the meaning given in Section 8.3(a).

**CHES** means the Clearing House Electronic Subregister System, which provides for electronic security transfer in Australia.

**Controlling Participant** has the meaning set out in the ASX Settlement Operating Rules.

**Corporations Act** means the *Corporations Act 2001* (Cth), as modified or varied by ASIC.

**Defeating Condition** has the meaning given in Section 6.6.

**EBF** means the environmental bond facility for A\$180 million dated 23 November 2021 between Century Mining Limited, Argonaut Insurance Company, Macquarie Bank Limited, Global Loan Agency Services Australia Pty Ltd and Global Loan Agency Services Australia Nominees Pty Ltd (as amended from time to time).

**Feasibility Study** has the meaning given in Section 4.2(c).

**GST** means goods and services tax.

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

**ITAA 1936** means the *Income Tax Assessment Act 1936* (Cth).

**ITAA 1997** means the *Income Tax Assessment Act 1997* (Cth).

**JORC Code** means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, prepared by the Joint Reserves Committee of Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Mineral Council of Australia, dated December 2012, as amended.

**Last Practicable Trading Date** means 16 March 2023, being the last practicable trading date before the date of this Target's Statement.

**Listing Rules** or **ASX Listing Rules** means the listing rules of ASX.

**Mt Lyell** has the meaning given in Section 4.1.

**New Century** or the **Company** means New Century Resources Limited (ACN 142 165 080).

**New Century Board** or **Board** means the board of directors of New Century from time to time.

**New Century Constitution** means the Constitution of New Century, as amended from time to time.

**New Century Director** or **Director** means a director of New Century.

**New Century Group** or **Group** means New Century and each of its Subsidiaries. A reference to a member of the New Century Group is a reference to New Century or any such Subsidiary.

**New Century Employee Securities Incentive Plan** means New Century's employee incentive scheme known as the 'New Century Limited Employee Securities Incentive Plan', as approved at New Century's 2022 annual general meeting on 9 November 2022.

**New Century Share** or **Share** means a fully paid ordinary share in New Century.

**New Century Share Register** means the register of New Century Shareholders kept by New Century.

**New Century Share Registry** means the manager from time to time of the New Century Share Register (currently Automic Pty Ltd).

**New Century Shareholder** or **Shareholder** means a person who is registered as the holder of a New Century Share in the New Century Share Register.

**New Century Shareholder Information Line** means the information line open Monday to Friday between 9.00am and 5.00pm (Sydney time), the telephone number for which is (03) 9070 3300 (within Australia) or +61 3 9070 3300 (outside Australia).

**Notice of Status of Conditions** means Sibanye's notice disclosing the status of the conditions of the Offer, which is required to be given under section 630(3) of the Corporations Act.

**Offer** means the offer by Sibanye Australia for all of the New Century Shares under the terms and conditions set out in the Sibanye Bidder's Statement as subsequently varied in accordance with the Corporations Act.

**Offer Period** means the period within which the Offer is open for acceptance in accordance with the Sibanye Bidder's Statement and the Corporations Act.

**Offer Price** means the price offered by Sibanye Australia for each New Century Share, pursuant to the Sibanye Bidder's Statement, being \$1.10 cash per New Century Share.

**Option** means an unlisted option over a New Century Share.

**Ore Reserve** has the meaning given in the JORC Code.

**Performance Right** means a performance right granted to key management personnel (excluding the non-executive directors) and employees of New Century in accordance with the New Century Employee Securities Incentive plan.

**Relevant Interest** has the meaning given in sections 608 and 609 of the Corporations Act.

**Retention Right** means a retention right granted to employees of New Century in accordance with the New Century Employee Securities Incentive plan.

**Sibanye** means Sibanye-Stillwater Limited (registration number 2014/243852/06 in South Africa) of Constantia Office Park, Bridgeview House, Building 11, Ground Floor, Cnr 14th Avenue & Hendrik Potgieter Road, Weltevreden Park, South Africa, 1709.

**Sibanye Australia** means Sibanye Resources Australia Pty Ltd (ACN 665 669 689).

**Sibanye Bidder's Statement** means the bidder's statement dated 21 February 2023 lodged by Sibanye Australia with ASIC in relation to the Offer (as replaced by Sibanye on 7 March 2023), and includes any supplementary bidder's statement issued by Sibanye Australia.

**Subsidiary** has the meaning given in Part 1.2, Division 6 of the Corporations Act.

**TAA** means the *Taxation Administration Act 1953* (Cth).

**Target's Statement** means this document, being the statement of New Century under Part 6.5 of the Corporations Act in relation to the Offer.



**Tax Act** means the ITAA 1936 or the ITAA 1997, or both as the context requires.

**Vedanta** has the meaning given in Section 4.2(c).

**Vesting Notice** has the meaning given in the New Century Employee Securities Incentive Plan.

**VWAP** means volume weighted average price.

## 10.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) The following rules apply unless the context requires otherwise.
  - (i) The singular includes the plural, and the converse also applies.
  - (ii) A gender includes all genders.
  - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
  - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
  - (v) A reference to a section is a reference to a section of this Target's Statement.
  - (vi) A term not specifically defined in this Target's Statement has the meaning given to it (if any) in the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules (as is appropriate to the context).
  - (vii) A reference to an agreement or document (including a reference to this Target's Statement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Target's Statement or that other agreement or document, and includes the recitals, schedules and annexures to that agreement or document.
  - (viii) A reference to a party to any agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
  - (ix) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
  - (x) A reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation) and assigns.
  - (xi) A reference to dollars or \$ is to Australian currency.
  - (xii) A reference to time is to time in Sydney, Australia.
- (c) All numbers in this Target's Statement, unless otherwise stated, have been rounded to two decimal places.

## **11 AUTHORISATION**

This Target's Statement has been approved by a resolution passed by the New Century Directors. Each New Century Director voted in favour of the resolution authorising this Target's Statement.

Dated 17 March 2023.

Signed for and on behalf of New Century:



**Kerry Gleeson**

Chairman

## Corporate Directory

<b>Registered office and principal place of business</b>	<b>New Century Resources Limited</b> Level 4 360 Collins Street Melbourne Victoria 3000 Australia
<b>Legal adviser</b>	<b>Allens</b> Deutsche Bank Place Corner Hunter and Phillip Streets Sydney NSW 2000
<b>Financial adviser</b>	<b>CIBC Capital Markets</b> Level 45, Gateway 1 Macquarie Place Sydney NSW 2000
<b>New Century Share Registry</b>	<b>Automic Pty Ltd</b> Level 5 191 St Georges Terrace Perth, Western Australia 6000
<b>Stock exchange listing</b>	New Century Resources Limited shares are quoted on the Australian Securities Exchange (ASX:NCZ)
<b>Company website</b>	<a href="http://www.newcenturyresources.com">www.newcenturyresources.com</a>