

Merger with Pantoro Limited – Update and Chairman’s Address to Meetings

Tulla Resources Plc (ASX:TUL) (**Tulla**) refers to the proposed demerger of its wholly owned subsidiary, Phoenix Industrial Minerals Pty Ltd (**Demerger Scheme**), and the proposed acquisition by Pantoro Limited (ASX:PNR) of all issued and to be issued ordinary share capital of Tulla (**Takeover Scheme**), each by means of United Kingdom Court-sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (UK) (together, the **Schemes**).

Demerger Scheme update – Termination of the Offtake and Funding Agreement

In the scheme circular announced on 9 May 2023, Tulla advised of its intention to terminate the Offtake and Funding Agreement dated 29 June 2022 (as amended) (**OFA**) should Constance Iron Limited (**Constance**) not be admitted to the London Stock Exchange by 26 May 2023. The scheme circular further advised that if the OFA were so terminated, Grant Thornton’s valuation of the ‘Industrial Minerals Rights’ would be prepared on the basis that Constance does not list.

Tulla now advises that, as Constance has not satisfied the condition precedent in clause 4.1(a) (*Buyer IPO*) of the OFA, the Sellers (Central Norseman Gold Corporation Pty Ltd and Pangolin Resources Pty Ltd, being wholly owned subsidiaries of Tulla) have given notice of termination of the OFA.

Chairman’s Address to the Meetings

Tulla has convened meetings of Tulla shareholders and CDI holders to consider and vote on each of the Demerger Scheme, the Takeover Scheme, and certain resolutions to be passed at a general meeting in order to implement the Schemes (together, the **Meetings**).

Attached to this announcement is a copy of the Chairman’s address to be given to attendees of the Meetings, which will be held today at Tulla’s offices at Suite 5, Level 2, 2 Grosvenor Street, Bondi Junction, NSW 2022, Australia, at the following times:

- Demerger Scheme Meeting – 4:00pm AEST;
- Takeover Scheme Meeting – 4:15pm AEST (or as soon thereafter as the Demerger Scheme Meeting shall have concluded or been adjourned); and
- Tulla General Meeting – 4:30pm AEST (or as soon thereafter as the Takeover Scheme Meeting shall have concluded or been adjourned).

The voting results of the Meetings will be communicated to the ASX shortly after the conclusion of the Meetings.

Authorised by the Company Secretary.

For further enquiries, please contact:

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Chairman's Address
Demerger Scheme Court Meeting/Takeover Scheme Court Meeting/General
Meeting
Monday 29 May 2023

Before moving to the formal business, I would like to say a few words about the Company's history and its journey to this point, as well as the nature of the schemes of arrangement being proposed to shareholders today.

History of Norseman

Norseman is an iconic name in the lexicon of Australian gold mining.

Gold was first discovered by Laurie Sinclair on what became known as the Norseman Reward in 1894. Legend has it that Sinclair's horse, Norseman, kicked a stone that was in fact a gold nugget and the Norseman history began nearly 130 years ago!¹

In 1935, Central Norseman Gold Corporation was incorporated and for the past 88 years some form of operations has been conducted on the Norseman gold fields. Norseman has undergone many transformations through the halcyon days of Western Mining and the not so productive life under Croesus Mining through to the present day.

In 2012, Tulla Private, my family companies, first invested in what was then Norseman Gold Plc (**Company**) and for the next 7 years we operated and financed the Company.

In order to fast track the next phase of the Norseman Gold Project, in 2019 the Company entered into a joint venture with Pantoro Limited (**Pantoro**) following a process of identifying a partner who shared our aspirations and vision for the Norseman of the future.

The decision was subsequently made with our then corporate advisors that, in order to fund the Company's joint venture obligations, the best option was to raise capital and to relist on the ASX. In March 2021, Tulla Resources Plc (the former Norseman Gold Plc) commenced trading on the ASX under the ticker "TUL".

The last few years have been both challenging and rewarding as the joint venture with Pantoro undertook the construction of a new processing plant and resumed mining operations. In October 2022, the first gold was poured at the new processing plant, and we have been in production since that date. While COVID-19 and a shortage of skilled workers in the WA mining industry has imposed additional challenges to the resumption of operations, we are now in full swing and the future is a very positive one.



Now that the new plant is operating and we are in production, it has become clear to the Company, and based on investor feedback, that the best way to extract value for all security holders is to consolidate the gold asset into one ownership.

Proposed merger with Pantoro

In January 2023, we announced that we were in discussions with our joint venture partner, Pantoro. On 13 February 2023, we announced that we had entered into a Merger Implementation Deed with Pantoro to merge the gold and battery minerals (ie lithium) into one ownership structure under Pantoro and to demerge the Industrial Minerals Rights, which were not a JV asset, into a new private company called Phoenix Industrial Minerals Pty Ltd (**Phoenix**).

This brings us to today. On 5 May 2023, the UK High Court of Justice made orders that the Company convene meetings of its shareholders to vote in respect of the demerger of its industrial minerals rights to Phoenix by way of a scheme of arrangement under UK law (the **Demerger Scheme**), and to merge its gold, battery minerals and certain other minerals with Pantoro, also by way of a scheme of arrangement under UK law (the **Takeover Scheme**). In addition, there are a number of matters associated with and/or ancillary to the Demerger Scheme and Takeover Scheme that require shareholder approval, which will be put to shareholders at today's general meeting.

If the Demerger Scheme is implemented, each eligible Tulla shareholder and CDI holder will receive one share in Phoenix for each Tulla share or CDI held at the relevant record time. If the Takeover Scheme is implemented, each eligible Tulla shareholder and CDI holder will receive 4.9578 shares in Pantoro for each Tulla share or CDI held at the relevant record time, which implies a 24.7% premium to the last closing price of Tulla shares on 10 February 2023 (being the last business day before the announcement of the Schemes). Following implementation of the Takeover Scheme, Pantoro will own 100% of Tulla.

Further details about the terms and conditions of the Schemes are set out in the scheme circular released by Tulla to ASX on 9 May 2023 (**Scheme Document**).

Recommendation by Tulla directors

The full commercial and strategic rationale behind the Demerger Scheme and the Takeover Scheme, as well as the reasons for the Company's directors recommending each Scheme, are set out in the Scheme Document.

Your Board continues to unanimously recommend that shareholders and CDI holders vote in favour of the Demerger Scheme and the Takeover Scheme in the absence of a superior proposal, and believes that they are both fair and reasonable. At the time of this meeting, no superior proposal has emerged, and the Board is not aware of any superior proposal that is likely to emerge.

Further, I can confirm that all Tulla CDIs held by the directors of the Company and associated entities have been voted in favour of the Demerger Scheme and the Takeover Scheme pursuant to irrevocable undertakings given by each director in February 2023.

Tulla Resources Plc

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I would also like to comment on the conditions precedent to the Schemes by noting that the Board, as at the date of this meeting, is not aware of any circumstances which would cause any of the outstanding conditions precedent not to be satisfied, except as set out in the Scheme Document.

Process following shareholder approval

If the resolutions in relation to the Schemes are passed today by the requisite majorities, and all conditions precedent to the Schemes are satisfied, the Company will apply to the UK High Court of Justice for approval of the Demerger Scheme and the Takeover Scheme at hearings currently scheduled for 19 June 2023 and 23 June 2023, respectively.

If the Court approves the Schemes, a copy of the Court orders will be delivered to the UK Registrar of Companies, following which the Schemes will become legally effective, and Tulla CDIs will be suspended from trading on the ASX. It is expected that the Demerger Scheme and Takeover Scheme will be implemented on 23 June 2023 and 30 June 2023, respectively.

Closing remarks

Speaking personally and on behalf of Tulla Private, we are committed to the future with Pantoro and believe this transaction is in the best interests of all shareholders. Together with Mark Maloney and Colin McIntyre, I will join the Board of the new Pantoro where I will bring over 11 years of experience, expertise and passion for the Norseman Project for the benefit of all shareholders.

In closing this address, I would just like to publicly acknowledge and thank a number of people. This transaction has been an extremely complex one with many hurdles to be navigated. Our Corporate Advisors, Azure Capital and lawyers, Herbert Smith Freehills and Shakespeare Martineau have worked tirelessly in structuring and advising on this matter. The Board has been supportive throughout and, in particular, our small but loyal Senior Management team has overseen and driven this matter to what is expected to be a successful implementation next month.

Finally, I also want to thank all of our loyal and supportive shareholders, many of whom have been on this journey for some considerable time. I look forward to the journey continuing under the next successful chapter of the life of the Norseman Project.

Thank you all very much. I will now move to the formal business of the meeting.

Kevin Maloney
Executive Chairman
29 May 2023

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1. Gold Fever, 120 Years of Norseman by Claire Weir