



Sierra Rutile

## ASX ANNOUNCEMENT

15 July 2024

### Unsolicited Proposal from Leonoil Company Limited

Sierra Rutile Holdings Limited (ASX: SRX) (**SRX** or **the Company**) has received an unsolicited proposal from Leonoil Company Limited (**Leonoil**) advising that it intends to make a conditional off-market takeover bid for all of the issued and outstanding ordinary shares in SRX which Leonoil does not already own for **A\$0.18 cash per share**, with no minimum acceptance condition (**Leonoil Proposal**).

At the date of this announcement, Leonoil holds 19.85% of the issued and outstanding ordinary shares in SRX.

In accordance with Clause 9.4 of the Bid Implementation Agreement SRX has entered with Gemcorp Commodities Assets Holding Limited (**Gemcorp**) (**Gemcorp BIA**)\*, SRX has notified Gemcorp of the Leonoil Proposal. The Board considers that the Leonoil Proposal may reasonably be expected to become a Superior Proposal, as defined by the Gemcorp BIA.

In accordance with Clause 9.6 of the Gemcorp BIA, Gemcorp has 3 Business Days to provide a matching or superior proposal to the Leonoil Proposal (i.e., by close of business 18 July 2024). Shareholders should pause on taking any action under the Gemcorp Offer (as announced 1 July) during this period.

Shareholders also do not need to take any action in relation to the Leonoil Proposal. SRX will continue to provide further information to shareholders in accordance with its continuous disclosure obligations.

#### Summary of Leonoil Proposal

The Leonoil Proposal is on substantively the same conditions as the proposed Gemcorp bid other than having no minimum acceptance condition. The key terms of the Leonoil Proposal, proposed to be agreed in a Bid Implementation Agreement executed between SRX and Leonoil, are as follows:

- Offer price of A\$0.18 cash per ordinary share
- No minimum acceptance condition
- No prescribed occurrences in relation to SRX
- No material adverse change in relation to SRX
- No government or regulatory action in consequence or in connection with the proposed Leonoil Proposal which adversely impacts the Leonoil Proposal
- No breach by SRX of certain conduct of business restrictions
- Other customary conditions

The Leonoil Proposal also contemplates customary deal protection mechanisms including “no shop, no talk” and “no due diligence” restrictions, as well as notification and matching rights in the event of a competing proposal. A market-standard reciprocal break fee is also proposed to be payable by each party in certain circumstances.

The offer will extend to all SRX shares including those issued as a result of vested performance rights during the Leonoil Proposal proposed offer period.



Sierra Rutile

## ASX ANNOUNCEMENT

This ASX Release was authorised for release to the ASX by the Board.

\*SRX ASX Announcement dated 1 July *Sierra Rutile Board Recommends Takeover Offer From Gemcorp* annexes the full Gemcorp BIA

Ends

### Contact Information:

**Investors:**

Martin Alciaturi  
Finance Director  
Ph: 08 6251 5555  
Email: martin.alciaturi@srx.group

**Media:**

Shane Murphy  
FTI Consulting  
Ph: 0420 945 291  
Email: shane.murphy@fticonsulting.com

### About Leonoil

Leonoil is a marketing Oil Company dealing in automotive gas oil, petroleum motor spirit, and lubricants. Leonoil was established in 1994 and is 100% owned by Sierra Leoneans.

Leonoil owns and manages twenty-four gas station outlets in Sierra Leone, and has group operations in four other west African countries. Leonoil supplies fuel to SRX through its subsidiary, National Petroleum Sierra Leone Limited.

### About SRX

SRX is the world's largest natural rutile producer, with an established operating history of more than 50 years from its operations in Sierra Leone.

SRX is well positioned to extend its operations through the proposed development of the nearby Sembahun deposits. Sembahun represents one of the largest and highest grade natural rutile resources in the world, and its development would extend SRX's mine life by at least 14 years.

SRX is listed on the Australian Securities Exchange. Further details about SRX are available at [www.sierra-rutile.com](http://www.sierra-rutile.com).

**Sierra Rutile Holdings Limited**  
ABN 79 613 822 165  
[www.sierra-rutile.com](http://www.sierra-rutile.com)