



26 April 2018

The Manager
Company Announcements Office
Australian Securities Exchange
Level 4, 20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

Off-market bid by HGM Resources Pty Ltd to acquire 100% of the shares in Primary Gold Limited – Compulsory acquisition of Primary Gold shares commenced

We refer to the offer by HGM Resources Pty Ltd ACN 624 480 995 (**HGM**), a wholly-owned subsidiary of Hanking Australia Investment Pty Ltd ACN 613 858 843, to acquire 100% of the shares in Primary Gold Limited ACN 122 726 283 (**Primary Gold**) (the **Offer**).

Please find attached an announcement for immediate release to the market through Primary Gold's announcements platform page.

Yours faithfully

Dr Mark Qiu
Director, Hanking Australia Investment Pty Ltd
Director, HGM Resources Pty Ltd



ASX and MEDIA RELEASE

26 April 2018

HGM COMMENCES COMPULSORY ACQUISITION OF PRIMARY GOLD ORDINARY SHARES

We refer to the offer by HGM Resources Pty Ltd ACN 624 480 995 (**HGM**), a wholly-owned subsidiary of Hanking Australia Investment Pty Ltd ACN 613 858 843, to acquire 100% of the shares in Primary Gold Limited ACN 122 726 283 (**Primary Gold**) (the **Offer**). Unless otherwise defined, capitalised terms have the same meaning given in HGM's bidder's statement dated 2 March 2018, as supplemented by its first supplementary bidder's statement dated 15 March 2018 (the **Bidder's Statement**).

HGM notes that the Offer closed at **7.00pm (AEST) Tuesday, 24 April 2018**.

As HGM now has a relevant interest in **93.71%** (being more than 90% of PGO Shares¹), HGM today announces that it is now proceeding with compulsory acquisition of all of the outstanding PGO Shares that HGM does not already have a relevant interest in (including PGO Shares issued on the exercise of PGO Unlisted Options within six weeks after the notice of compulsory acquisition is given) in accordance with Part 6A.1 of the Corporations Act.

Attached is a copy of ASIC Form 6021 (**Compulsory Acquisition Notice**) and the accompanying letter (**Letter**) to be sent to remaining holders of PGO Shares and PGO Unlisted Option Holders in accordance with section 661B(1)(c) of the Corporations Act. The Compulsory Acquisition Notice was lodged with the Australian Securities and Investments Commission today in accordance with section 661B(1)(b) of the Corporations Act.

HGM also confirms that copies of the Compulsory Acquisition Notice and Letter will be sent to remaining PGO Shareholders and PGO Unlisted Option Holders over the course of today and Friday, 27 April 2018 (being the next business day after the lodgement of the Compulsory Acquisition Notice with ASIC).

PGO Shareholders who did not accept the Offer before it closed at **7.00pm (AEST) Tuesday, 24 April 2018** will have their PGO Shares compulsorily acquired under the Corporations Act as described above, and these remaining PGO Shareholders will be paid within six weeks under the compulsory acquisition process from today, 26 April 2018. As previously announced, PGO Shareholders who accepted the Offer by **7.00pm (AEST) Tuesday, 24 April 2018** will be paid within 21 days from the date of their acceptance.

Further Information

Remaining PGO Shareholders and Option Holders should carefully read the Compulsory Acquisition Notice and Letter once they have been received.

If you have any questions in relation to the Compulsory Acquisition Notice or Letter, please contact the HGM Offer Information Line on 1300 853 781 (toll free within Australia) or +61 1300 853 781 (not toll free) from outside Australia.

Yours faithfully

Dr Mark Qiu

Director, Hanking Australia Investment Pty Ltd

Director, HGM Resources Pty Ltd

¹ and has acquired at least 75% of the PGO Shares it offered to acquire.



26 April 2018

[Insert name]

[Insert address]

Dear Sir / Madam

Compulsory acquisition of your Primary Gold Limited ordinary shares by HGM Resources Pty Ltd

We refer to the offer by HGM Resources Pty Ltd ACN 624 480 995 (**HGM**), a wholly-owned subsidiary of Hanking Australia Investment Pty Ltd ACN 613 858 843, to acquire 100% of the shares in Primary Gold Limited ACN 122 726 283 (**Primary Gold**) (the **Offer**). Unless otherwise defined, capitalised terms have the same meaning given in HGM's bidder's statement dated 2 March 2018, as supplemented by its first supplementary bidder's statement dated 15 March 2018 (the **Bidder's Statement**).

As HGM now has a relevant interest in **93.71%** (being more than 90% of PGO Shares¹), HGM is entitled under the Corporations Act to compulsorily acquire all of the PGO Shares in which it does not already have a relevant interest, on the same terms as under the Offer. This also includes any new PGO Shares issued on the exercise of PGO Unlisted Options within six weeks after the notice of compulsory acquisition is given. HGM has decided to exercise that right of compulsory acquisition.

This letter is being sent to you because you are currently registered as a holder of PGO Shares or PGO Unlisted Options. If you hold:

- PGO Shares but did not accept them into the Offer before it closed, HGM will compulsorily acquire all the PGO Shares that you hold; and
- PGO Options and exercise them, HGM will compulsorily acquire any PGO Shares issued to you on or before **7 June 2018** as a result of the exercise of those PGO Unlisted Options. If you hold PGO Unlisted Options but do not exercise them by that time, you can ignore this letter.

Please note that the Offer closed at **7.00pm (AEST) on Tuesday, 24 April 2018**.

If you held PGO Shares and accepted the Offer before it closed, payment of your Offer Consideration will be made **within 21 days of the date of your acceptance**.

If you did not accept the Offer before it closed, subject to completion of the compulsory acquisition process, your PGO Shares will be compulsorily acquired by HGM. You will have to wait up to six weeks from the date of this letter to receive the Offer Consideration under the compulsory acquisition process. HGM will pay \$0.0575 cash for each PGO Share that it compulsorily acquires, which is the same price per share that was offered to all PGO Shareholders under the Offer.

Please find enclosed as ASIC Form 6021: *Notice of compulsory acquisition following takeover bid* (**Compulsory Acquisition Notice**), which HGM is required to give to you under the Corporations Act to exercise its right of compulsory acquisition. Please read this notice carefully.

You do not need to sign or return the Compulsory Acquisition Notice. In due course, Primary Gold will send to holders of PGO Shares who did not accept the Offer a written notice seeking instructions on how to deal with the cash payable to the holder.

Primary Gold will also be required to hold the cash payable to it by HGM on trust for holders of PGO Shares which are being compulsorily acquired.

Not all transfers resulting from acceptances of the Offer have yet been registered. If you accepted the Offer before it closed, you can ignore this letter. Payment of your Offer Consideration will be made within 21 days of the date of your acceptance.

¹ and has acquired at least 75% of the PGO Shares it offered to acquire.



If you have any questions in relation to this letter or the Compulsory Acquisition Notice, please contact the HGM Offer Information Line on 1300 853 781 (toll free within Australia) or +61 1300 853 781 (not toll free) from outside Australia.

Yours faithfully

Dr Mark Qiu

Director, Hanking Australia Investment Pty Ltd

Director, HGM Resources Pty Ltd

Notice of compulsory acquisition following takeover bid

Notice

To each holder of:

Description of class of securities to which the bid relates

Fully paid ordinary shares

('Bid Class Securities')

Name of target company or body

in

Name ('the Company')

Primary Gold Limited

ACN/ARBN/ARSN

122 726 283

Tick applicable box(es)

- and each holder of securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related.
- and each holder of non-transferable securities issued under an employee incentive scheme referred to in paragraph 2.

Name of bidder

1. Under a takeover bid offers were made by

HGM Resources Pty Ltd ABN 70 624 480 995

in respect of the acquisition of Bid Class Securities in the company.

The offers

Tick one box

- closed
- are scheduled to close

Date offers closed or are scheduled to close

on

Date

2 4 / 0 4 / 1 8
[D] [D] [M] [M] [Y] [Y]

Tick applicable box(es).
(see subsection 661A(4) and (4A))

2. You are, as at the date of this notice, the holder of one or more of the following

- securities in respect of which the takeover offer was made, but have not accepted the offer. (If you have accepted the offer but have received this notice you do not need to do anything in response to this notice—the bidder will acquire your securities under the offer.)
- securities to which the bid related issued after the end of the offer period and before the date of this notice
- securities that will or may be converted into, or confer rights to be issued, in the next 6 weeks, securities to which the bid related
- securities issued under an employee incentive scheme to which restrictions on transfer apply under the company's constitution or the terms of issue, being

Description of securities

Description of securities

the following securities in the bid class in which the bidder has a relevant interest

Tick one box

3. The bidder gives you notice under subsection 661B(1) of the Corporations Act 2001 ('the Act') that the bidder has become entitled pursuant to subsection

- 661A(1)
- 661A(3)

of the Act to compulsorily acquire your securities and desires to acquire those securities.

Continued... Notice

Date of lodgement

4. Under section 661D of the Act, you have the right, by notice in writing given to the bidder within one month after this notice is lodged with ASIC, to ask the bidder for a written statement of the names and addresses of everyone else the bidder has given this notice to.

This notice was lodged with ASIC on

Date

2 6 / 0 4 / 1 8
[D D] [M M] [Y Y]

Insert paragraph 4A only where alternative forms of consideration were offered under the bid.

4A. You are entitled, within one month after being given this notice (see paragraph 8), or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is the later, by notice in writing to the bidder, to elect which of the following forms of consideration will apply to the acquisition of your securities:

Details of alternative terms

N/A

If you do not elect which of the alternative forms of consideration will apply to the acquisition of your securities, the form of consideration that will apply will be:

Set out the terms that will apply

N/A

5. Under section 661E of the Act, you have the right, within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement requested under section 661D of the Act (as referred to in paragraph 4 of this notice), whichever is later, to apply to the Court for an order that the securities not be compulsorily acquired.

6. The bidder is entitled and bound to acquire the securities on the terms that applied under the takeover bid immediately before

Tick one box

- checkbox this notice was given.
checkbox x the end of the offer period.

7. Unless the Court otherwise orders, on application made by you under section 661E of the Act within one month after being given this notice (see paragraph 8) or within 14 days after being given a statement under section 661D (as referred to in paragraph 4 of this notice), whichever is the later, the bidder must comply with paragraph 6 of this notice.

8. A notice sent by post to you is taken to be given to you 3 days after it is posted.

Signature

Name of person signing

Mark Yumin Qiu

Capacity

Director of HGM Resources Pty Ltd.

Signature



Date signed

2 6 / 0 4 / 1 8
[D D] [M M] [Y Y]