



REPUBLICGold

## ASX:RAU

### Address

Level 7, Suite 5,  
3 Spring St  
Sydney NSW 2000  
ACN 106 399 311  
P +61 2 9220 9500  
F +61 2 9220 9522  
info@republicgold.com.au  
www.republicgold.com.au

### Registered Office

Level 3  
70 Pitt Street  
Sydney NSW 2000

### Directors

Ray Shorrocks	Chairman
Mark Gillie	Non-executive Director
Dr David King	Non-executive Director
Peter Wicks	Non-executive Director
David Hannon	Non-executive Director

### Company Secretary

Nick Geddes  
Australian Company Secretaries Pty Ltd  
Level 3, 70 Pitt Street  
GPO Box 4231  
Sydney NSW 2001  
Australia

### Australian Stock Exchange Listing

Ordinary Shares: RAU

### Issued Capital

Ordinary Shares: 384,478,960

### Contacts

#### Republic Gold

(02) 9220 9500

info@republicgold.com.au

Ray Shorrocks P +61 9220 9500

Mark Gillie P+27 82 888 9977

## Republic Gold Limited

### Lodgment of the Bidder's Statement and Target's Statement with ASIC

9 October 2014

Further to the announcement earlier today regarding the takeover offer by Republic Gold Limited ("Republic") for Big Review TV Limited ("BRTV"), the directors of Republic are pleased to advise that the joint booklet bidder's statement and target's statement containing details of the takeover offer has now been lodged with the Australian Securities and Investments Commission ("ASIC").

A copy of the documents lodged with ASIC are attached to this announcement.

The joint booklet bidder's statement and target's statement will be dispatched to BRTV shareholders tomorrow.

For further information please contact Ray Shorrocks on +61 9220 9500.



Our reference  
AJL/ER/REPU17490-9106221

8 Chifley  
8-12 Chifley Square Sydney NSW 2000  
GPO Box 9925 NSW 2001  
Tel (02) 9210 6500  
Fax (02) 9210 6611  
[www.corrs.com.au](http://www.corrs.com.au)

**CORRS  
CHAMBERS  
WESTGARTH**  
lawyers

Sydney  
Melbourne  
Brisbane  
Perth

9 October 2014

**By hand delivery**

To whom it may concern  
Australian Securities and Investments  
Commission  
Level 5, 100 Market St  
SYDNEY NSW 2000

**Contact**

Ed Rainsford (02) 9210 6064  
Email: [ed.rainsford@corrs.com.au](mailto:ed.rainsford@corrs.com.au)

**Partner**

Andrew Lumsden

Dear Sir/Madam

**Takeover offer by Republic Gold Limited for Big Review TV Limited**

We act for Republic Gold Limited ACN 106 399 311 (**Republic**) in relation to its off-market takeover bid (the **Takeover**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) for 100% of the shares in Big Review TV Limited ACN 164 025 129 (**BRTV**).

We **attach** a booklet of information, which contains:

1. Republic's Bidder's Statement dated 9 October 2014 containing the terms of the offer which is provided pursuant to section 633(1) item 2 of the Corporations Act; and
2. BRTV's Target's Statement dated 9 October 2014 which is provided on behalf of BRTV pursuant to its obligations under section 633(1) item 13 of the Corporations Act.

We also **attach** a Form CF09 lodging Republic's Bidder's Statement together with a Form CF09 lodging BRTV's Target's Statement, on behalf of BRTV.

As ASIC will be aware, the Takeover represents a key part of Republic's wider proposals to effect a "back-door listing" where it will seek re-admission to quotation following re-compliance with the requirements of Chapters 1 and 2 of the ASX Listing Rules including, without limitation, the issue of a Prospectus document (the **Transaction**).

Please let us know if you would like to discuss the contents of this letter or any element of the Transaction generally.

Yours faithfully  
**Corrs Chambers Westgarth**

A handwritten signature in black ink, appearing to read 'Andrew Lumsden', with a stylized flourish at the end.

**Andrew Lumsden**  
Partner

**attachments**

# Bidder's Statement

containing an offer by

Republic Gold Limited ABN 86 106 399 311

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to acquire all of your ordinary shares in

---

Big Review TV Limited ABN 87 164 025 129

For every 100 BRTV Shares you own, you will receive 23.582 Republic Shares, together with one Republic Option for every 10 Republic Shares issued under the Takeover Offer<sup>1</sup>

Questions relating to the Takeover Offer can be directed to the offer enquiry line on +61 2 9220 9500

The Takeover Offer closes at 7:00pm (Sydney time) on 28 November 2014 unless extended or withdrawn

**This is an important document and requires your immediate attention.**

If you are in any doubt as to how to deal with this document, please consult your stockbroker, legal or financial adviser.

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<sup>1</sup> Following the proposed Consolidation of the share capital of Republic on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share. The approval of the Consolidation by Republic Shareholders will be sought at the Republic Shareholder Meeting to be held on or about 17 November 2014. On a pre Consolidation basis, the Consideration to be paid under the Takeover Offer is equal to 7.074 Republic Shares for every one BRTV Share held together with one Republic Option for every ten Republic Shares issued under the Takeover Offer.



# Important Dates

Announcement Date	9 October 2014
Date of Bidder's Statement	9 October 2014
Date of Takeover Offer	10 October 2014
Anticipated dispatch of Republic Notice of Meeting	17 October 2014
Anticipated Republic Shareholder Meeting held	17 November 2014
Takeover Offer closes – 7:00pm (Sydney time) unless extended*	28 November 2014

\* The Takeover Offer may be extended to the extent permissible under the Corporations Act.

## Key contacts

### Offer enquiry line:

+61 2 9220 9500

## Important Notices

### Bidder's Statement

This document (**Bidder's Statement**), dated 9 October 2014 is issued by Republic Gold Limited ABN 86 106 399 311 (**Republic**) to the holders (**BRTV Shareholders**) of fully paid ordinary shares (**BRTV Shares**) in the capital of Big Review TV Limited ACN 164 025 129 (**BRTV**) under Part 6.5 of the *Corporations Act 2001* (Cth) (**Corporations Act**) in relation to the off market offer (**Takeover Offer**) by Republic to acquire all of the BRTV Shares and sets out certain disclosures required by the Corporations Act.

A copy of this document was lodged with the Australian Securities and Investments Commission (**ASIC**) on 9 October 2014. Neither ASIC nor any of its officers takes responsibility for the contents of this document.

### Defined terms

A number of important words and phrases with particular meanings are used in this document. These terms are explained in the Glossary in **section 17** of this document.

### Investment decisions

This document does not take into account the individual investment objectives, financial situation or particular needs of each BRTV Shareholder or any other person. You should consider seeking independent financial and taxation advice before making a decision as to whether or not to accept the Takeover Offer and whether the fully paid ordinary shares in the capital of Republic (**Republic Shares**) are an appropriate investment for you.

### Value of Takeover Offer

The implied value of the Republic Shares and Republic Options to be issued to the BRTV Shareholders as Consideration under the Takeover Offer will vary with the market price of Republic Shares. Further information on the implied value of the Consideration being provided under the Takeover Offer is contained in this document. Before

accepting the Takeover Offer, BRTV Shareholders should obtain current quotes for Republic Shares from their stockbroker or other financial adviser.

### **Number of Republic Shares – post Consolidation**

All references in this document to Republic Share numbers are stated on the basis that the Consolidation of Republic's share capital has been completed, unless stated otherwise. The Consolidation of Republic's share capital will be effected on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share. The approval of the Consolidation of Republic's share capital by the Republic Shareholders will be sought at the Republic Shareholder Meeting.

In particular, the consideration being offered to BRTV Shareholders under the Takeover Offer of 23.582 Republic Shares for every one hundred BRTV Shares, together with one Republic Option for every ten Republic Shares issued under the Takeover Offer, is on a post Consolidation basis.

On a pre Consolidation basis, this is equal to 7.074 Republic Shares for every one BRTV Share, together with one Republic Option for every ten Republic Shares issued under the Takeover Offer.

### **Forward looking statements**

This document includes information that is historical in character and forward looking statements. The forward looking statements relate to future matters and are subject to various inherent risks and uncertainties. These risks and uncertainties include the risks described in **section 11**, as well as other matters not yet known to Republic or not currently considered material by Republic.

Actual events or results may differ materially from the events or results expressed or implied by any forward looking statements. The past performance of BRTV and Republic is no guarantee of future performance. None of Republic, any of the directors or officers of Republic, any other person named in this document with their consent or any person involved in the preparation of this document makes any representation or warranty (either express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in the document reflect views held only as at the date of this document.

### **Information on BRTV**

The BRTV Information contained in this document has been provided by BRTV and should not be considered comprehensive.

The BRTV Information contained in this document is the responsibility of BRTV. Republic does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

Further information relating to BRTV's business may be included in BRTV's Target's Statement which has been provided with this document.

### **Merged Group information**

The information on the group resulting from the combination of Republic and BRTV (**Merged Group**) contained in this document (to the extent that it incorporates or reflects information on BRTV) has been prepared using publicly available information and has not been independently verified by BRTV. Republic does not, subject to the

Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

### **Foreign jurisdictions**

The distribution of this document and the making of the Takeover Offer may be restricted by the laws of foreign 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 securities law. The Takeover Offer is not being made, directly or indirectly, in or into and will not be capable of acceptance from within any jurisdiction, if to do so would not be in compliance with the laws of that jurisdiction.

No action has been taken to register the document or qualify Republic to, or otherwise permit a public offering of Republic Shares outside Australia. In particular, Republic Shares have not been, and will not be, registered under the *Securities Act 1933* of the United States of America (**Securities Act**) and may not be offered or sold in the United States or to, or for the account or benefit of, a US person (as defined in Regulation S under the Securities Act), except in a transaction exempt from the registration requirements of the Securities Act and applicable United States state securities laws.

### **How to accept**

Acceptances must be received by the end of the Offer Period.

Please complete and sign the enclosed transfer and acceptance form which accompanies this document and forms part of the Takeover Offer (**Acceptance Form**) in accordance with the instructions provided in the form and return it, together with any other documents required by those instructions, in the reply paid envelope (not able to be used by overseas BRTV Shareholders).

Full details of how to accept the Takeover Offer are set out in **section 14.6**.

### **Privacy statement**

Republic has collected your information from the BRTV register of members for the purpose of making the Takeover Offer and, if accepted, administering your holding of BRTV Shares. The type of information Republic has collected about you includes your name, contact details and information on your shareholding in BRTV. Without this information, Republic will be hindered in its ability to carry out the Takeover Offer. 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 Republic's related bodies, corporate and external service providers (such as print and mail services providers), and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by Republic, please contact Republic on +61 2 9220 9500.

### **Queries**

If you have any questions about this document, please contact the offer enquiry line on +61 2 9220 9500 or your stockbroker, legal or financial adviser.

9 October 2014

Dear BRTV Shareholders

On behalf of Republic, I am pleased to provide to you with this offer to acquire all of the shares you hold in Big Review TV Limited (**BRTV**) (the **Takeover Offer**).

Under the Takeover Offer you will receive, subject to the terms and conditions of the Takeover Offer, for every one hundred BRTV Shares you own, 23.582 Republic Shares (post Consolidation of Republic Shares on a 30:1 basis), together with one Republic Option for every ten Republic Shares received by you under the Takeover Offer.

The Takeover Offer has been structured by working with the current management of BRTV to strike an ownership split between existing Republic Shareholders and incoming BRTV Shareholders on a 28%/72% split respectively (pre the impact of the proposed Capital Raise under the Prospectus Offer as defined below).

As the Takeover Offer provides you with the opportunity to own Republic Shares it allows you the ability to retain an indirect investment in BRTV. At the same time there are significant benefits in becoming a shareholder in a larger, listed technology company offering:

- enhanced liquidity by virtue of Republic's listing on the ASX;
- the ability to trade the Republic Shares on ASX (subject to any applicable trading restrictions);
- a more rigorous disclosure and management regime required of an ASX listed company;
- an enhanced public profile, which itself supports the operational marketing efforts of the company;
- a greater ability to attract and retain key staff due to the enhanced flexibility of employee share ownership and option schemes; and
- faster access to, and a greater variety of, capital at typically lesser cost subject to market considerations to meet the needs of the business.

You may also wish to subscribe for additional shares in Republic which will be offered under the Prospectus Offer the proceeds of which will be used to fund the BRTV business once acquired and thereby further support and benefit the BRTV business. The Prospectus Offer will be fully underwritten by Patersons Securities Limited.

On the basis that the completion of the off market bid under which Republic offers to acquire all of the BRTV Shares (**Takeover Bid**) will involve a change in the nature and scale of Republic's activities as contemplated by ASX Listing Rule 11.1, Republic is required to seek the approval of the Republic Shareholders for matters relating to the completion of the Takeover Bid at the extraordinary general meeting of Republic (**Republic Shareholder Meeting**) and will be obliged to re comply with the requirements of ASX Listing Rules Chapters 1 and 2 (**Re compliance**) before issuing Republic Shares

under the Takeover Offer or the Prospectus Offer. As a condition to the Reconciliation, Republic must, among other things, implement the Consolidation of its share capital.

Accordingly, at the Republic Shareholder Meeting, approval of the Republic Shareholders will be sought:

- to approve the issue of the Republic Shares under the Prospectus Offer for the purposes of ASX Listing Rule 7.1;
- to approve the change in the nature and scale of Republic's activities as a result of the Takeover Bid, for the purposes of ASX Listing Rule 11.1;
- to approve the Consolidation of Republic's share capital on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share;
- to approve the change of name of Republic from "Republic Gold Limited" to "Big Un Limited" or such other name as Republic and BRTV agree; and
- subject to the Takeover Offer becoming Unconditional, to approve the appointment of 3 nominees of BRTV, being Richard Evertz, Sonia Thurston and Andrew Corner, to the Republic Board.

The terms and conditions of the Takeover Offer are explained further in this document. The Takeover Offer is conditional upon the Minimum Acceptance Condition that during, or at the end of, the Offer Period, Republic and its associates have a Relevant Interest in at least 80% (by number) of BRTV Shares and certain other Conditions being satisfied. Details of the Conditions are set out in **section 14.13** of the Bidder's Statement.

All of the directors of BRTV recommend that you accept the Takeover Offer, in the absence of a Superior Proposal.

In addition, the directors of BRTV who own 59,119,246 BRTV Shares being 42.3% of all BRTV Shares on issue as at the date of this document, have advised Republic that, in the absence of a Superior Proposal, they intend to accept or procure the acceptance of the Takeover Offer in respect of all of the BRTV Shares that they control.

In conjunction with the Takeover Offer, Republic will seek to raise up to \$3.0 million at an issue price of \$0.20 per Republic Share (on a post Consolidation basis) under a full form prospectus (**Prospectus Offer**). Further details about the anticipated Prospectus Offer are set out in this document and the full terms will be outlined in the Prospectus itself which will be released shortly. The Prospectus Offer will be made available to both Republic Shareholders and BRTV Shareholders as well as retail investors more generally.

This is an important document which you should retain throughout the Offer Period.

Please read this document carefully. The Takeover Offer is open for your acceptance until 7:00pm (Sydney time) on 28 November 2014 unless extended. To accept the Takeover Offer, complete and return the enclosed Acceptance Form.

If you have any questions about the Takeover Offer, please contact the offer enquiry line on +61 2 9220 9500 or your stockbroker, legal or financial adviser.

Yours sincerely

**Ray Shorrocks**  
Executive Chairman

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# 1 Summary of the Takeover Offer / frequently asked questions

This summary provides an overview of the Takeover Offer and is qualified by the detailed information set out in this document. You should read this document in full and the separate Target's Statement which has been provided with this document before deciding whether or not to accept the Takeover Offer. If you are in any doubt as to how to deal with this document you should consult your stockbroker, legal or financial adviser as soon as possible.

Defined terms used in this summary are capitalised. The definitions of these terms are set out in the Glossary in **section 17**.

<b>Who is the bidder?</b>	The Takeover Offer is made by Republic Gold Limited ABN 86 106 399 311, an ASX listed company.
<b>What Republic is offering to buy?</b>	Republic is offering to buy all of the issued BRTV Shares on the terms set out in this document.
<b>Can I accept the Takeover Offer for some or all of my BRTV Shares?</b>	You may only accept the Takeover Offer in respect of all of Your BRTV Shares.
<b>What you will receive if you accept the Takeover Offer?</b>	<p>If you accept the Takeover Offer, subject to satisfaction of the Conditions of the Takeover Offer, you will receive, for every 100 BRTV Shares you own, 23.582 Republic Shares, together with one Republic Option for every ten Republic Shares issued under the Takeover Offer (on a post Consolidation basis).</p> <p>On a pre Consolidation basis, this is equal to 7.074 Republic Shares for every one BRTV Share, together with one Republic Option for every ten Republic Shares issued under the Takeover Offer.</p> <p>If the above ratio results in you becoming entitled to a fraction of a Republic Share or a Republic Option upon acceptance of the Takeover Offer, your entitlement will be rounded down to the nearest whole number of shares or options.</p> <p>Each Republic Option entitles the holder to acquire one Republic Share at an exercise price of \$0.30 per Republic Share expiring 31 December 2017.</p> <p>The full terms of the Takeover Offer are set out in <b>section 14</b>.</p>
<b>Who is the Takeover Offer made to?</b>	<p>The Takeover Offer relates to BRTV Shares that exist or will exist as at 9 October 2014 being the Relevant Date.</p> <p>The Takeover Offer also extends to all BRTV Shares that are issued during the period from the Relevant Date to the end of the Offer Period as a result of the valid exercise of</p>

	any BRTV Options.
<b>How do I accept the Takeover Offer?</b>	<p>Below is a summary of how you can accept the Takeover Offer. The full details of how to accept the Takeover Offer are set out in <b>section 14.6</b>.</p> <p>The Takeover Offer may only be accepted for all of Your BRTV Shares.</p> <p>To accept the Takeover Offer you must complete and sign the accompanying Acceptance Form in accordance with the instructions on it and return it, together with any other documents required by those instructions, to:</p> <p style="text-align: center;"><b>(By mail or by delivery in person)</b>          Republic Gold Limited          Level 7, Suite 5, 3 Spring Street          Sydney NSW 2000</p> <p>so that it is received by Republic before the end of the Offer Period. A reply paid envelope is enclosed for your convenience (not able to be used by overseas BRTV Shareholders).</p> <p><b>Acceptance Forms must be received by 7:00pm (Sydney time) on 28 November 2014, unless the Takeover Offer is extended.</b></p>
<b>How long is the Takeover Offer open for?</b>	The Takeover Offer opens on 10 October 2014, and closes at 7:00pm (Sydney time) on 28 November 2014, unless withdrawn or extended in accordance with the Corporations Act.
<b>What happens if I don't accept the Takeover Offer?</b>	<p>Subject to the explanation below, you will remain a shareholder of BRTV and will not receive the Consideration.</p> <p>If you do not accept the Takeover Offer and Republic acquires a Relevant Interest in at least 90% of BRTV Shares and the other Conditions of the Takeover Offer are satisfied or waived, Republic intends to proceed to compulsorily acquire the outstanding BRTV Shares. You will be invited to claim the Consideration. Therefore, accepting the Takeover Offer will result in you receiving your Consideration sooner than if Your BRTV Shares are compulsorily acquired.</p> <p>If the Takeover Offer becomes or is declared Unconditional but Republic does not become entitled to compulsorily acquire Your BRTV Shares under the Corporations Act, unless you sell Your BRTV Shares, you will remain a shareholder in BRTV.</p> <p>In these circumstances and, depending on the number of BRTV Shares acquired by Republic, you may be a minority BRTV Shareholder.</p>
<b>What happens if the</b>	If Republic improves the Consideration, all the BRTV Shareholders who accept the Takeover Offer (whether or

<b>Consideration is improved?</b>	not they have accepted the Takeover Offer before or after such improvement) will be entitled to the benefit of the improved Consideration, should the Takeover Offer become or be declared Unconditional.
<b>When will the Consideration for my BRTV Shares be issued?</b>	If you accept the Takeover Offer, the Republic Shares and Republic Options will be issued to you no later than 21 days after the end of the Offer Period (assuming the Takeover Offer becomes or is declared Unconditional).
<b>How many Republic Shares will I receive after the Consolidation?</b>	<p>Republic will seek approval at the Republic Shareholder Meeting to complete the Consolidation of its share capital on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share.</p> <p>Accordingly, on a post Consolidation basis, the Consideration to be paid under the Takeover Offer will be 23.582 Republic Share for every 100 BRTV Shares held together with one Republic Option for every ten Republic Shares issued under the Takeover Offer.</p>
<b>What are the Conditions to the Takeover Offer?</b>	<p>The Takeover Offer is subject to the Conditions set out in <b>section 14.13</b>.</p> <p>The Conditions include:</p> <ul style="list-style-type: none"> <li>• obtaining from the Republic Shareholders the approvals necessary to effect the Takeover Offer, being: <ul style="list-style-type: none"> <li>(i) to approve the issue of Republic Shares under the Prospectus Offer in accordance with ASX Listing Rule 7.1;</li> <li>(ii) to approve the change in the nature and scale of Republic's activities as contemplated by ASX Listing Rule 11.1; and</li> <li>(iii) to approve the Consolidation of Republic's share capital on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share;</li> </ul> </li> <li>• that between the Announcement Date and the end of the Offer Period, no Prescribed Occurrence occurs;</li> <li>• Republic having received minimum valid acceptances of the Takeover Offer so that Republic and its associates hold a Relevant Interest in at least 80% of the BRTV Shares;</li> <li>• that the Prospectus Offer closes and, as at the</li> </ul>

	<p>close of the Prospectus Offer, Republic receives or becomes entitled to receive, in immediately available funds, gross proceeds of no less than \$1 million as a result of subscriptions made under the Prospectus Offer;</p> <ul style="list-style-type: none"> <li>• that before the end of the Offer Period, all Approvals required by law or by any Public Authority that are necessary to permit the completion of any transaction contemplated by the Bidder's Statement are granted, given or obtained on an unconditional basis;</li> <li>• that between the Announcement Date and the end of the Offer Period, there are no regulatory actions that restrain, prohibit, threaten to restrain or prohibit or otherwise materially adversely impact the making of the Takeover Offer or the completion of any transaction contemplated by the Bidder's Statement or that seeks to require the divestiture by Republic of any BRTV Shares, or the divestiture of any assets of BRTV or of Republic;</li> <li>• that Republic receives written confirmation from ASX that ASX will readmit Republic to the official list of the ASX and terminate the suspension from official quotation of the Republic Shares, subject to the satisfaction of such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules;</li> <li>• each BRTV Shareholder that is required by the ASX to enter into an escrow agreement (on the terms required by the ASX, including the duration of the escrow) entering into that escrow agreement with Republic in relation to the Republic Shares and Republic Options as the case may be issued to that BRTV Shareholder that ASX requires be escrowed; and</li> <li>• such other conditions as are customary for transactions comparable to the Takeover Offer.</li> </ul> <p>This is only a summary of the Conditions. For further information about the Conditions, see <b>section 14.13</b>.</p>
<b>What happens if the Conditions to the Takeover Offer are not satisfied?</b>	<p>If the Takeover Offer closes and the Conditions are not satisfied or waived, the Takeover Offer will lapse, and your acceptance will be void. In other words, you will continue to hold Your BRTV Shares unless you otherwise sell them. Republic will announce whether the Conditions have been satisfied or waived during the Offer Period in accordance with its obligations under the Corporations Act.</p>
<b>What happens to any BRTV</b>	<p>Republic is entitled to any dividends declared or paid after the Announcement Date in respect of BRTV Shares</p>

<b>dividends?</b>	acquired under the Takeover Offer. If any such dividend is paid to a BRTV Shareholder, Republic reserves the right to deduct the amount of the dividend from the Consideration payable to that Shareholder on acceptance of the Takeover Offer.
<b>What are the taxation consequences?</b>	There may be taxation consequences for BRTV Shareholders who accept the Takeover Offer. A general outline of possible Australian taxation consequences of accepting the Takeover Offer is set out in <b>section 12</b> . You should consult your own independent professional taxation adviser in relation to the taxation implications of acceptance of the Takeover Offer taking into account your own individual circumstances.
<b>Do I have to pay any fees?</b>	You will not pay any brokerage, stamp duty or GST on accepting the Takeover Offer.
<b>Can my BRTV Shares be compulsorily acquired?</b>	<p>If you do not accept the Takeover Offer and Republic becomes entitled to acquire Your BRTV Shares compulsorily under the Corporations Act, it intends to do so and you will be issued with Republic Shares and Republic Options later than BRTV Shareholders who choose to accept the Takeover Offer.</p> <p>If Republic does not become entitled to compulsorily acquire Your BRTV Shares, you will remain a shareholder in BRTV.</p>
<b>Will the Republic Shares or Republic Options be quoted?</b>	<p>The Republic Shares issued under the Takeover Offer will be issued fully paid and will, from the time of issue, rank equally for dividends and other Rights with existing Republic Shares.</p> <p>Republic will apply for quotation of the Republic Shares and intends to apply for quotation of the Republic Options on the official list of ASX within seven days of the date of this document. Quotation of the Republic Shares and Republic Options (if applicable) will not be automatic but will depend on ASX exercising its discretion to admit them to the official list of ASX. However, Republic is already admitted to the official list of ASX and shares in Republic in the same class as to those to be issued under the Takeover Offer are already quoted. In accordance with the Corporations Act, the quotation of the Republic Shares and Republic Options (if applicable) to be issued under the Takeover Offer is a Condition to the Takeover Offer under <b>section 14.20</b>.</p> <p>Quotation of the Republic Shares and Republic Options (if applicable) will also depend on Republic satisfying ASX of the Reconciliation with the requirements of with Chapters 1 and 2 of the ASX Listing Rules.</p>
<b>What if I still have questions?</b>	If you have any questions about the Takeover Offer, please contact the offer enquiry line on +61 2 9220 9500.

## 2 Why you should accept the Takeover Offer

The information in this section is intended to provide an overview of some of the reasons why you should accept the Takeover Offer, and is qualified by the detailed information set out in this document. You should read this document in full before deciding whether or not to accept the Takeover Offer.

If you wish to accept this Takeover Offer, you must return the signed Acceptance Form by 7:00 pm (Sydney time) on 28 November 2014.

### 2.1 Your directors recommend that BRTV Shareholders accept the Takeover Offer

All of the directors of BRTV:

- recommend that BRTV Shareholders accept the Takeover Offer, in the absence of a Superior Proposal; and
- to the extent they hold BRTV Shares, intend to accept the Takeover Offer, in the absence of a Superior Proposal.

### 2.2 Benefits of transaction

The Merged Group is expected to have approximately \$4 million cash at bank on completion of the Takeover Offer and the Prospectus Offer. This cash amount will allow BRTV to pursue its growth strategies and potentially justify significantly higher valuations as its business is proven.

As Republic is listed for trading on ASX and Republic Shares comprise part of the Consideration under the Takeover Offer, by accepting the Takeover Offer BRTV Shareholders will benefit from becoming a shareholder in the larger group. Some of the positives of which include:

- The ability to see the market's view of the value of the business represented in the share price of the Merged Group on a live basis. The potential share price of the Merged Group post completion of the transactions contemplated in this document is set out by way of an example approach to that valuation in **section 2.3** below under the heading "Theoretical Share Price of Republic".
- Enhanced liquidity – allowing shareholders who are not subject to ASX imposed escrow agreements to exit some or all of their holdings when they wish in a more liquid and transparent market (ie on the ASX).
- The ability for the Merged Group to raise capital in a more flexible manner moving forward – ie by means of Republic undertaking placements or rights issues.
- The value of the Merged Group will be observable due to usual market actions daily. This value will represent the market's view of the aggregate value of the Merged Group and that of the value of BRTV taking into account all of the market forces that typically impact on listed shares including the potential upside inherent in the business and prevailing market conditions.
- Investing in a business that has a formally implemented reporting and disclosure regime.

- A greater ability to attract key staff through the offering of a larger range of remuneration and incentives by way of employee share ownership plans and the like.
- A greater ability to work with counterparties who view working with a listed entity as a positive sign in the entity's management given the reporting and disclosure requirements placed on listed companies and their board of directors.

## 2.3 Theoretical share price of Republic

The Republic Board believes it is possible to derive a theoretical share price of Republic post the acquisition of BRTV, post Consolidation of its shares and post the proposed Capital Raising (of up to \$3.0 million under the Prospectus Offer) by aggregating the components of its value and dividing by the number of shares likely on issue at that time.

It is possible to observe the market's estimate of value of Republic before announcement of the transactions contemplated in this document by observing the pre announcement market capitalisation of Republic. BRTV is a public unlisted company hence its share price is not observable on a day to day basis. However the Republic Board believes that it is possible to use as a proxy for BRTV's value the last arms length sale of shares in BRTV before the announcement of the Takeover Offer. BRTV has raised in excess of \$0.9 million at \$0.15 per share in several tranches since December 2013. Using the last trade price of \$0.15 per share and applying that to the total number of shares on issue of BRTV equates to an implied value of the BRTV business of approximately \$20.8 million.

The Republic Board believes that the components of value of Republic on a theoretical basis are:

Component	Calculation	Value
Value of Republic 7 Oct 2014	@ \$0.007 /share and 384.5m shares	\$2.7m
Value of BRTV at last share raise	139.8m shares @ \$0.15 per share	\$21.0m
Prospectus Issue	\$3.0m @ \$0.20 raise	\$3.0m
Total Capitalisation (excluding transaction costs)		\$26.7m
Theoretical Republic share price (@ 60.8m Republic Shares on issue on a post Consolidation basis and assuming 100% acceptances are received under the Takeover Offer and the maximum of \$3.0m is raised under the Prospectus Offer)		\$0.44/share

Hence a theoretical share price of Republic post Consolidation, the Takeover Offer and the Capital Raise is \$0.44 per share (or \$0.015 per share pre Consolidation).

There are however no certain means to forecast how the market will price Republic Shares post announcement of the Takeover Offer or post completion of the Takeover Offer and Prospectus Offer and this calculation is offered as a potential outcome and historical and theoretical price only. It is recommended that you seek your own advice on the likely value of the Merged Group moving forward.



## 2.4 Capital gains tax roll-over relief

If disposal of Your BRTV Shares would give rise to a capital gain, you may be able to choose a partial roll-over under which part of the capital gain resulting from the Takeover Offer is disregarded and effectively deferred until you dispose of the Republic Shares acquired in exchange for Your BRTV Shares.

Further details in respect of the Australian taxation implications of accepting the Takeover Offer are set out in **section 12**, however, you should consult your own independent professional taxation adviser for further details taking into account your own individual circumstances.

## 3 Profile of Republic

### 3.1 Overview of Republic

The bidder is Republic Gold Limited ABN 86 106 399 311. Republic was incorporated in Victoria in 2003.

Republic is an ASX listed company registered under the Corporations Act, and was admitted to the official list of the ASX on 16 January 2004. As at the date of this document, Republic has 384,478,960 fully paid ordinary shares on issue and which are quoted on ASX under the symbol "RAU".

As at the date of this document, Republic has two wholly owned subsidiaries, Republic East Africa Limited (**REAL**) and African Stellar Mozambique Limitada (**ASMoz**). Under a Quota Sale and Purchase Agreement between Republic, REAL and Auroch Minerals NL ACN 148 966 545 (**Auroch**) dated 11 June 2014, Republic has agreed to sell all of the share capital of ASMoz to Auroch. Republic and Auroch are currently working together to close the final condition of the transaction which requires registration by a Mozambican government agency of the transfer of the Quotas (similar to shares) in ASMoz from Republic and REAL to Auroch. Further details are provided at **section 3.3** below.

Further information about Republic is available from the ASX website at [www.asx.com.au](http://www.asx.com.au) or from the Republic website at [www.republicgold.com.au](http://www.republicgold.com.au).

### 3.2 Principal activities of Republic

Republic presently operates as a gold exploration company with operations focused in the Manica province of Mozambique. On 11 June 2014, Republic announced that it intends to cease its exploration activities in Mozambique and to sell its wholly owned Mozambican subsidiary, ASMoz.

Currently there is no exploration being carried out and operations have ceased.

Upon completion of the sale of ASMoz, Republic's principal business activities will be an investment in Auroch by way of holding 6,538,462 shares and 6,538,462 options in Auroch and it will also hold cash and near cash items such as government deposits awaiting return to Republic from government bureaucracies. The options will be exercisable at a price of \$0.15 per share any time before 31 December 2016. Auroch is an ASX listed company involved in mineral exploration and development and holds adjacent tenements to the key ASMoz tenement.

### **3.3 Transaction with Auroch**

On 11 June 2014, Republic entered into the Quota Sale and Purchase Agreement with Auroch to sell Republic's wholly owned subsidiary, ASMOz. The sale of ASMOz constitutes a change in the nature and scale of Republic's activities as contemplated by ASX Listing Rule 11.1. Accordingly, on 27 August 2014, Republic dispatched a Notice of Meeting and Explanatory Statement to the Republic Shareholders to approve the sale of ASMOz and the matters set out above.

On 29 September 2014, Republic Shareholders approved the sale by Republic of ASMOz and the transactions contemplated under the Quota Sale and Purchase Agreement. Hence, Republic's principal business activities should the final conditions precedent of the transaction be met will be a pool of cash of approximately \$1.7 million and an investment in Auroch, an ASX listed company involved in mineral exploration and development predominantly in Africa.

There are a number of conditions precedent, in addition to approval by the Republic Shareholders, that must be satisfied or waived before the sale of ASMOz is completed. The key outstanding condition precedent is the registration of the transfer of Quotas from Republic to Auroch. On 2 October 2014 the parties under the Quota Sale and Purchase Agreement executed a side deed to the agreement to extend the time for satisfaction of the conditions precedent to 30 June 2015. Should that final registration of the transfer not be met and the transaction not proceed then Republic's business activities would continue to be its investment in ASMOz. ASMOz is a non operating company and is the registered holder of three exploration licences in Mozambique, together with certain other licences pending or under application by ASMOz. At that time the Republic Board may decide to otherwise dispose of the assets or return the licences to the Mozambican Government.

### **3.4 Directors of Republic**

Republic has five directors as at the date of this document:

- Raymond Shorrocks, Executive Chairman
- Peter Wicks, Non-executive Director
- Mark Gillie, Non-executive Director
- David King, Non-executive Director
- David Hannon, Non-executive Director

Details of the responsibilities and experience of the Republic directors are set out in Republic's annual financial report for the financial year ended 30 June 2014.

Profiles and brief summaries of the experience of each of the directors of Republic, as at the date of this document, are set out below.

#### **Raymond Shorrocks, Executive Chairman**

Mr Shorrocks has over 20 years' experience in corporate finance and has advised a diverse range of mining companies during his career at Patersons Securities Limited, one of Australia's largest full service stockbroking and financial services firms. He has been instrumental in managing and structuring equity capital raisings as well as having advised extensively in the area of

mergers and acquisitions. Mr Shorrocks is also a director of ASX Listed Galilee Energy Limited and a number of private companies.

**Peter Wicks, Non-executive Director**

Mr Wicks is a Chartered Accountant and a Fellow of the Australian Institute of Chartered Accountants. Mr Wicks has had extensive experience in the natural resources sector and more recently as a property developer. Mr Wicks was a long-term finance director for a large ASX listed company operating in the oil and gas sector during the 1980s and more recently was the independent director of Drillsearch Energy Limited until September 2009. He was also a director of several oil and gas companies listed on the Toronto Stock Exchange during the 1990s.

He has been both an executive and non-executive director of Australian domiciled mineral companies, including Perseverance Corporation Limited where he was a non-executive director from 1994 to 1998.

**Mark Gillie, Non-executive Director**

Mr Gillie is an experienced mining executive with over 25 years experience in the mining and exploration industries including over 20 years in Africa. He has extensive experience in all aspects of the industry including operational management, technical planning, production, geological modelling, mineral exploration and commercial optimisation.

Mark's recent positions include Chief Executive Officer of Signature Metals Ltd (ASX:SBL), Managing Director of Owere Mines Limited and Director of African Operations for Liongold Corp (SGX:A78). Mark is a founding shareholder and Director of African Stellar Holdings, which is an exploration and resource development and advisory group.

Mark Gillie was the managing director and CEO of Republic until 31 July 2014. His resignation from these roles coincided with Republic's announcement of its intention sell its Mozambiqan wholly owned subsidiary, ASMoz, and cease its gold exploration activities.

**Dr David King, Non-executive Director**

Dr David King is an experienced natural resources executive, with over 30 years experience in the precious metals and energy sectors. He is a former Managing Director of North Flinders Mines Limited; was founder, executive director and non-executive director of Eastern Star Gas Ltd and is Chairman of Robust Resources Ltd. Dr King holds degrees in Physics/Mathematics, Geophysics and a Doctorate in Seismology from the Australian National University.

**David Hannon, Non-executive Director**

Mr Hannon is currently a director of Atlas Iron Ltd, an ASX listed iron ore production company that is listed on the ASX. David commenced his commercial career as a stockbroker in 1985 working with several firms, including Jackson Securities and BT Securities. He later became a joint partner of a private investment bank specialising in venture capital with a focus on the mining sector.

In 2001 David became a director of PSG Afro Pacific Limited, a subsidiary of a listed South African Bank which also concentrated on the mining sector. Since leaving PSG Afro Pacific Limited, David has operated a private investment bank, Chifley Investor Group Pty Limited and over the last decade has been a director

of many private investment companies specialising in venture capital, property investments and public company investments.

### **3.5 Management team of Republic**

Given Republic's mining operations have ceased, the Company has had no need for an active management team apart from Mr Ray Shorrocks in his capacity as Executive Chairman and appropriate financial advisory, administrative, legal and accounting consultants on an as-needed basis.

### **3.6 Corporate governance of Republic**

The Republic Board is responsible for overseeing the corporate governance activities of Republic. The Republic Board guides and monitors the business and affairs of Republic on behalf of the Republic Shareholders by whom they are elected and to whom they are accountable.

Due to its size and structure, the Republic Board is able to meet regularly throughout the year for management and formal meetings of the Republic Board, as well as being in frequent communication by way of telephone to ensure compliance with ASX Listing Rule disclosure requirements.

#### **Independent Directors**

Three members of the Republic Board, as at the date of this document, are considered to be independent under ASX guidelines, namely Mr Peter Wicks, Dr David King and Mr David Hannon.

#### **Composition and term of appointment of the Republic Board**

The Republic Board is considered to be an appropriate and cost effective structure for the size of Republic and the nature of Republic's operations.

When the need for a new director is identified, selection is based on the skills and experience of prospective directors, having regard to the present and future needs of Republic. Any director so appointed must then stand for election at the next meeting of Republic Shareholders.

Republic's constitution provides that a director (other than the Managing Director) may not retain office for more than three calendar years or beyond the third annual general meeting following his or her election, whichever is longer, without submitting for re-election. One third of the directors must retire each year and are eligible for re-election.

The directors who retire by rotation at each Annual General Meeting are those with the longest length of time in office since their appointment or last election.

#### **Committees of the Republic Board**

Given the size and stage of development of Republic, the Republic Board has not established a separate Nomination and Remuneration Committee as doing so would contribute little to the effective management of Republic.

The nomination of new directors and the setting, or review, of remuneration levels of directors and senior executives are reviewed by the Republic Board as a whole and approved by resolution (with abstentions from relevant directors where there is a conflict of interest). Where particular expertise or information, which is not available from within the Republic Board, is considered necessary, external advice may be taken and reviewed prior to a final decision being made.

### **3.7 Audit, risk management and internal controls**

The Republic Board is responsible for overseeing the risk management activities of Republic. A combination of internal policies and procedures are in place and external audits are undertaken to monitor risk management and its effectiveness.

The Republic Board acknowledges that it does not fully comply with the ASX's recommendation in Principle 4 of the ASX Corporate Governance Principles and Recommendations, but in view of the size of Republic and the nature of its activities, the Republic Board considers that establishing a separate audit and risk management committee would contribute little to the effective management of Republic.

The Republic Board as a whole reviews audit and risk management matters and accepts the responsibility to ensure truthful and factual presentation of Republic's financial position.

Republic uses the services of an independent audit firm that has only a small number of partners. The Republic Board, to a certain extent, relies on the auditors to ensure compliance with relevant accounting standards and gives full and complete co-operation to its auditors without absolving itself of its responsibility. Where appropriate, the Republic Board is able to engage independent experts or professional advisors to assist with the identification and/or management of any key risk areas identified.

Each year the Chairman provides a statement to the Republic Board in writing in respect to the integrity of the financial statements to the effect that they are founded on a sound system of risk management and internal compliance and control and that Republic's risk management and internal compliance and control systems are operating efficiently and effectively in all material respects.

Management of Republic has established and implemented a risk management and internal control system for identifying, assessing, monitoring and managing strategic, operational, financial reporting and compliance risks for Republic. The system is based upon policies, guidelines, delegations, industry practices and reporting as well as the selection and training of qualified personnel. The Republic Board believes the current framework to be suitable for Republic's current operations and stage of development.

### **3.8 Directors of the Merged Group**

In the event that the Takeover Bid is completed, a newly constituted Republic Board will be appointed. Accordingly, following the successful completion of the Takeover Bid, the Republic Board will be reconstituted such that Sonia Thurston, Richard Evertz and Andrew Corner will become directors of Republic and Messrs Gillie, King and Wicks are expected to resign from office as directors of Republic. Sonia Thurston is presently a director of BRTV.

Profiles and brief summaries of the experience of Richard Evertz, Andrew Corner and Sonia Thurston are set out below.

#### **Richard Evertz**

Richard is a highly seasoned entrepreneur with many successful business start-ups to his credit. His experience covers a wealth of business sectors ranging from finance and property to retail, Internet, telecommunications and essential services. Richard has successfully incubated a large number of

businesses from start-up, including ASX listing, and brings a unique personality, wealth of knowledge and invaluable hands on experience to the BRTV team.

Richard founded Imagine Pty Ltd in 2003 – a telecommunications business. Richard was successful in selling the business into an ASX-listed vehicle in 2006. Imagine Pty Ltd reached a market cap in excess of \$40 million between 2006-8. In 2008 as a result of the GFC, funding availability fell away for the business and it was subsequently put into administration. Richard extracted the business from administration in 2009 and continued to operate the company and initiate a new business strategy before resigning in late 2011 as Chairman to pursue multiple opportunities including BRTV.

### **Andrew Corner**

Andrew is a Chartered Accountant who qualified with Ernst & Young in 1998. Whilst at Ernst & Young, Andrew championed the use of analytical technology as part of the audit and was nationally recognized in the UK for the work that he had done. Since his move into commerce Andrew has focused on small, growing businesses with a view to ensuring that their operations are controlled and scalable in times of rapid expansion. Prior to BRTV, Andrew was CFO at Distra Pty Ltd and part of the team that took Distra from a start-up software-development company through to trade sale to their largest, US-based competitor for \$50 million. Andrew is a member of the ICAEW.

### **Sonia Thurston**

Sonia has over 25 years of experience in global branding and in senior roles within advertising agencies including as a group director of J. Walter Thompson working on branding across a diverse range of industries with the likes of Airbus and McKinsey & Co. She's worked in TV, radio, across traditional and social media and acted as a senior consultant on communications projects for European governments. Sonia has been responsible for the development of the Big Review TV brand and is actively involved in many areas of BRTV from overseeing editing and platform content, sales and marketing to corporate and internal communications.

## **3.9 Republic Shares**

The Takeover Offer is being made on a post Consolidation basis. As a condition to the Reconciliation, Republic must implement the Consolidation of its share capital. Accordingly, at the Republic Shareholder Meeting, approval by the Republic Shareholders will be sought to, among other things, approve the Consolidation of Republic's share capital on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share.

As at the date of this document, Republic has 384,478,960 fully paid ordinary shares on issue.

### 3.10 Trading of Republic Shares

Republic is an ASX listed company. The table below sets out the relevant trading prices of the Republic Shares on ASX:

Trading period	Price of Republic Shares (\$)	
	pre Consolidation	post Consolidation
Highest trading price on 17 June 2014 in the four months prior to the date this document was lodged with ASIC	\$0.01	\$0.30
Lowest trading price on 11 September 2014 in the four months prior to the date this document was lodged with ASIC	\$0.006	\$0.18
Closing trading price on 7 October 2014 – during completion of this document	\$0.007	\$0.21
30 day VWAP of Republic Shares to and including the Announcement Date	\$0.0072	\$0.22

### 3.11 Republic Shareholders

The table below sets out the top 20 Republic Shareholders as at 3 October 2014 prior to the commencement of the Takeover Offer and pre Consolidation. The top 20 Republic Shareholders hold 212,611,227 Republic Shares, being approximately 55% of the total number of Republic Shares on issue.

#	Shareholder Name	Shares	% Total
1	AFRICAN STELLAR HOLDINGS	42,410,000	11%
2	CHIFLEY PORTFOLIOS PTY LTD	40,000,000	10%
3	HSBC CUSTODY NOMINEES	14,525,960	4%
4	SPRING STREET HOLDINGS PTY LTD	12,681,155	3%
5	RAH (STC) PTY LTD	12,500,000	3%
6	SIZZ PTY LTD	10,000,000	3%
7	ABN AMRO CLEARING SYDNEY	8,737,428	2%
8	RAH (STC) PTY LTD	7,500,000	2%
9	MR RODNEY MCKENZIE HOLM	6,842,749	2%
10	CHIFLEY PORTFOLIOS PTY LTD	6,500,000	2%
11	CITICORP NOMINEES PTY LIMITED	6,201,995	2%
12	QUEENSLAND M M PTY LTD	6,000,000	2%
13	MR ALEXANDER FLEMING WYLIE	6,000,000	2%
14	ACTIONETTE PTY LTD	5,809,980	2%
15	UBS WEALTH MANAGEMENT	5,013,750	1%
16	TRANSITION METALS PTY LTD	5,000,000	1%
17	PINBROOK PTY LIMITED	5,000,000	1%
18	RHODES CAPITAL PTY LTD	5,000,000	1%
19	MELBOURNE CHILD CARE SERVICES	3,668,355	1%
20	ZEUS GOLD PTY LTD	3,219,855	1%
		212,611,227	55%

The table below sets out the top 20 Republic Shareholders following the completion of the Takeover Offer and post Consolidation. The information set out in the table below is based on the assumption that 100% of the BRTV Shareholders accept the Takeover Offer, and does not reflect the position following the issue of the Republic Shares under the Prospectus Offer.

#	Shareholder Name	Shares	% Total
1	Richbrandson Pty Ltd	8,324,968	18%
2	Cherryox Pty Ltd	2,824,750	6%
3	Tink Nominees Pty Ltd	2,634,339	6%
4	Coddington Nominees Pty Ltd	2,085,462	5%
5	Big Neo Pty Ltd	1,886,528	4%
6	A.P. Reyem Pty Ltd	1,518,813	3%
7	Maul Pty Ltd	1,414,896	3%
8	AFRICAN STELLAR HOLDINGS	1,413,667	3%
9	CHIFLEY PORTFOLIOS PTY LTD	1,333,333	3%
10	Golden Rocket Nominees Pty Ltd	1,266,516	3%
11	MWA Production Services Pty Ltd	1,226,243	3%
12	Dream Investment Nominees Pty Ltd	1,131,015	2%
13	Evelyn Uhl	1,126,477	2%
14	Henry James Conrad Posthumus	845,850	2%
15	RBW Nominees ATF RBW Discretionary Trust	825,356	2%
16	Clive and Judith Riseam Superannuation Fund	687,727	2%
17	Derivative Management and Consulting Pty Ltd	687,727	2%
18	Interstyle Pty Ltd	490,497	1%
19	HSBC CUSTODY NOMINEES	484,199	1%
20	SPRING STREET HOLDINGS PTY LTD	422,705	1%
		32,631,068	71%

As at the date of this document the directors of Republic have a Relevant Interest in 147.2 million Republic Shares (on a pre Consolidation basis), being approximately 38% of the total number of Republic Shares on issue. The table below sets out the individual Relevant Interests held by each director of Republic as at the date of this document:

Director	Number of Republic Shares (pre Consolidation basis)	Number of Republic Shares (post Consolidation basis)	Nature of interest
Raymond Shorrocks	12,931,155	431,039	Indirect
Peter Wicks	3,038,591	101,286	Indirect
Mark Gillie	42,410,000	1,413,667	Indirect
David King	12,356,800	411,893	Indirect
David Hannon	76,500,000	2,550,000	Indirect
Total	147,236,546	4,907,885	
vs all shares	384,478,960	12,815,965	
% held	38%	38%	



Post completion of the Takeover Offer (assuming 100% of BRTV Shareholders accept the Takeover Offer) and without taking account of the Prospectus Offer, the Republic Board including the new Directors and excluding retiring Directors will have a Relevant Interest in 15.1 million Republic Shares (on a post Consolidation basis), being approximately 25% of the total number of Republic Shares on issue. The table below sets out the individual Relevant Interests held by each director of Republic following the completion of the Takeover Offer:

Director	Number of Republic Shares (pre Consolidation basis)	Number of Republic Shares (post Consolidation basis)	Nature of interest
Raymond Shorrocks	12,931,155	431,039	Indirect
David Hannon	76,500,000	2,550,000	Indirect
Sonia Thurston	-	2,634,339	Indirect
Richard Evertz	-	8,324,968	Indirect
Andrew Corner	-	1,131,015	Indirect

### 3.12 Republic's dividend and distribution history

Republic has never declared a dividend.

### 3.13 Interim funding

On 8 October 2014, as a precursor to the Takeover Offer, Republic entered into a loan agreement with BRTV pursuant to which it agreed to lend BRTV (on an unsecured basis) the sum of \$250,000 for general working capital purposes (the **BRTV Loan Agreement**). The BRTV Loan Agreement also provides for a further \$200,000 to be made available to BRTV after 17 November 2014 (to the extent required by BRTV).

The loan is not subject to interest (save in limited circumstances where it is not repaid in accordance with its terms following an insolvency event in respect of BRTV, in which case interest will accrue at a rate of BBSW + 3.0% per annum on any unrepaid amounts). Subject to the satisfaction of certain conditions (including the Takeover Offer not being declared Unconditional by 31 March 2015), the loan will be converted into new ordinary shares in BRTV at a conversion price of \$0.15 (subject to adjustment in accordance with the terms of the BRTV Loan Agreement).

In the event that a Superior Proposal emerges which is either:

- recommended by the BRTV directors; or
- declared or becomes unconditional,

then the applicable conversion price for the loaned amount will become \$0.05 per BRTV Share.

In accordance with the terms of the loan, unless and until all of the outstanding principal amount (including capitalised interest if applicable) has been either:

- repaid in full; or
- converted into new fully paid ordinary shares in BRTV,

BRTV must not declare any dividend, or make any other form of return of capital or effect any other distribution to its shareholders.

### 3.14 Capital raising

Concurrently with the completion of the Takeover Offer, and in connection with the requirements of the Recombliance, Republic intends to undertake a capital raising by the issue of up to 15,000,000 Republic Shares under the Prospectus Offer, at a price of \$0.20 per Republic Share, on a post Consolidation basis. The Prospectus Offer will be fully underwritten by Patersons Securities Limited. Details of the underwriting arrangements will be provided in the Prospectus.

On a pre Consolidation basis, this is equal to the issue of up to 428.6 million Republic Shares under the Prospectus Offer, at a price of \$0.007 per Republic Share.

The Republic Shares issued under the Prospectus Offer will have a dilutionary impact to all holders of Republic Shares after the completion of the Takeover Bid (ie, including BRTV Shareholders who accept the Takeover Offer).

Copies of the Prospectus under which the Prospectus Offer is being made will be made available from the ASX website at [www.asx.com.au](http://www.asx.com.au) or from the Republic website at [www.republicgold.com.au](http://www.republicgold.com.au).

### 3.15 Recent announcements to ASX by Republic

Since 30 June 2014, the following announcements (other than in relation to the Takeover Offer) have been made by Republic to ASX:

Date	Headline	Pages
9/10/2014	Trading Halt	2
30/09/2014	Full Year Statutory Accounts	34
29/09/2014	Amended Results of Extraordinary General Meeting	1
29/09/2014	Results of Extraordinary General Meeting	1
22/09/2014	Change of Venue of 2014 General Meeting	1
22/09/2014	2014 Annual General Meeting and Director Nominations	1
28/08/2014	Notice of General Meeting/Proxy Form	66
31/07/2014	Quarterly Activities Report	2
31/07/2014	Quarterly Cashflow Report	6
24/07/2014	Resignation of CEO	1

### 3.16 Recent financial performance of Republic

The tables below set out an extract of Republic's recent financial performance based on Republic's audited 30 June 2014 accounts.

This financial information relates to Republic on a stand alone basis and does not reflect any effects of the Takeover Offer or the completion of the Takeover Offer or Prospectus Offer. It is a summary only and the full financial accounts of Republic for the applicable periods described below are available in Republic's annual reports for the years ended 30 June 2014 and 2013.

Copies of Republic's annual reports and other information are available from the ASX website at [www.asx.com.au](http://www.asx.com.au) or from the Republic website at [www.republicgold.com.au](http://www.republicgold.com.au).

**REPUBLIC GOLD LIMITED**
**ABN 86 106 399 311**
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**
**For the Year Ended 30 June 2014**

		<b>2014</b>	<b>2013</b>
	<b>Note</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>	<b>3</b>	86,828	29,245
Receivables impairments		(50,985)	-
Employee benefits expense		(210,537)	(298,045)
Consultant & contractor expenses		(55,000)	(359,115)
Travel expenses		(21,323)	(104,348)
Depreciation expenses	<b>4</b>	(2,400)	(2,389)
Interest expense	<b>4</b>	(4,044)	(1,917)
Other expenses from ordinary activities		(498,760)	(513,488)
<b>Total expenses</b>	<b>4</b>	(843,049)	(1,279,302)
<b>Loss from continuing operations before income tax expense</b>		(756,221)	(1,250,057)
<b>Income tax expense</b>	<b>5</b>	-	-
<b>Loss from continuing operations after income tax expense</b>		(756,221)	(1,250,057)
<b>Discontinued operations</b>			
<b>Loss from discontinued operations after income tax expense</b>	<b>7</b>	(1,821,617)	(4,310,649)
<b>Net loss for the year</b>		(2,577,838)	(5,560,706)
Other comprehensive income:			
<i>Items that will not be reclassified to profit or loss:</i>			
Foreign currency translation		(22,456)	249,404
<b>Total comprehensive income for the year</b>		(2,600,294)	(5,311,302)
<b>Earnings (cents) per share - continuing operations:</b>	<b>14</b>		
Basic loss per share (cents)		(0.24)	(0.75)
Diluted loss per share (cents)		(0.24)	(0.75)
<b>Earnings (cents) per share - net loss for the year:</b>	<b>14</b>		
Basic loss per share (cents)		(0.80)	(3.32)
Diluted loss per share (cents)		(0.80)	(3.32)

<b>REPUBLIC GOLD LIMITED</b>			
<b>ABN 86 106 399 311</b>			
<b>Consolidated Statement of Financial Position</b>			
<b>As at 30 June 2014</b>			
	<b>Note</b>	<b>2014</b> <b>\$</b>	<b>2013</b> <b>\$</b>
<b>CURRENT ASSETS</b>			
Cash & cash equivalents	<b>15</b>	1,987,049	307,381
Trade and other receivables	<b>8</b>	110,545	119,514
Other current financial assets	<b>9</b>	-	2,404,285
		2,097,594	2,831,180
Assets of disposal group classified as held for sale	<b>7</b>	310,000	-
<b>Total Current Assets</b>		2,407,594	2,831,180
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	<b>10</b>	1,438	3,838
<b>Total Non-Current Assets</b>		1,438	3,838
<b>TOTAL ASSETS</b>		2,409,032	2,835,018
<b>CURRENT LIABILITIES</b>			
Trade and other payables		163,082	195,939
Liabilities of disposal group classified as held for sale	<b>7</b>	-	-
<b>TOTAL LIABILITIES</b>		163,082	195,939
<b>NET ASSETS</b>		2,245,950	2,639,079
<b>EQUITY</b>			
Issued capital	<b>11</b>	58,357,495	56,150,330
Accumulated losses		(56,937,493)	(54,359,655)
Reserves	<b>12</b>	825,948	848,404
<b>TOTAL EQUITY</b>		2,245,950	2,639,079

### 3.17 Further information about Republic

Due to the fact that Republic is offering Republic Shares and Republic Options as Consideration for the acquisition of the BRTV Shares, the Corporations Act requires that this document must include all information that would be required for a prospectus for an offer of Republic Shares and Republic Options under sections 710 to 713 of the Corporations Act.

Republic is a disclosing entity for the purposes of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations imposed by the ASX Listing Rules and the Corporations Act. In particular, Republic is required to continuously disclose to the market any information it has which a reasonable person would expect to have a material effect on the price or value of Republic Shares.

Copies of announcements made by Republic to ASX are available from the ASX website at [www.asx.com.au](http://www.asx.com.au) or from the Republic website at [www.republicgold.com.au](http://www.republicgold.com.au).

Copies of documents lodged with ASIC by or in relation to Republic may be obtained from, or inspected at, any office of ASIC.

Republic will provide a copy of the following documents free of charge to any BRTV Shareholder who requests such documents during the Offer Period:

- the annual financial report for Republic for the year ended 30 June 2014; and
- any continuous disclosure notices given by Republic after lodgment of the annual report for the year ended 30 June 2014 with ASIC and before the lodgement of this document with ASIC.

Requests for copies of these documents may be made by contacting the offer enquiry line on +61 2 9220 9500.

## 4 Profile of BRTV

### 4.1 Overview of BRTV

BRTV was registered as a public company in New South Wales on 30 May 2013. BRTV does not have any subsidiaries.

BRTV is the holder of the intellectual property and all rights and property associated in delivering a digital video production business and associated online digital search and review business.

BRTV has developed a global, video-driven review platform that integrates video listings, social media, an innovative mobile phone video review application and TV review shows.

This concept provides the marketplace with a new experience in accessing and making reviews for any market or industry sector. Global market trends and data indicate significant potential for BRTV's integrated on-line video formula.

BRTV aims to be the number one preferred source of information for online video reviews. The company provides small to medium enterprise or business (SME) customers affordable entry into online video marketing via professionally produced and distinctively styled and edited video products. The BRTV platform and mobile App offers the environment, technology and capability for consumers and businesses to interact, review and promote via self-generated video review posts.

The BRTV offering addresses the following key dynamics:

**Growing Video Market** – Globally, IP video traffic will be 79% of all consumer Internet traffic in 2018, up from 66% in 2013. This percentage does not include video exchanged through peer-to-peer (P2P) filesharing. The sum of all forms of video (TV, video on demand, Internet, and P2P) will be in the range of 80% to 90% of global consumer traffic by 2018.

**Market Shift Towards Online Video Marketing** – It is estimated that over 80% of senior marketing executives now use online video content in their marketing programs. This is in response to consumers being 27 times more likely to click through online video advertisements rather than standard banners. Digital video

advertisement spend in the US alone is predicted to increase to over \$8 billion by 2016.

Video is now the most shared brand content on Facebook and social sharing of video advertisements had increased nearly fifty times in the last eight years. Notably, social video advertisements have a 91% completion rate (watched all the way through).

**Significant Market Gap** – BRTV has identified a gap in the marketplace for affordable video aimed at SMEs showcased on a video driven review and marketing internet platform specifically designed for businesses.

**Quality, Scalable, Video Production** – BRTV uses innovative systems, processes and technologies that challenge traditional methods of video production. As a result, the company is able to produce quality video at significantly lower costs than traditional video production costs. The BRTV video production model is fully scalable globally and forms part of the company's core intellectual property.

**Application fees meet production and origination costs** – Based upon the current business model, the initial application fee from SME customers is sufficient to meet both the direct sales force labour costs and the cost of the video production staff.

**Business Proposition** – Until now, the cost of video production and access to targeted delivery channels has been the most significant barrier to online video marketing for SMEs. The BRTV selling proposition offers businesses professional, affordable, engaging, social media-integrated, promotional video content and a consumer distribution channel that is interactive via peer generated content through the Big Review TV video App.

**Consumer Proposition** – BRTV will offer users access to entertaining shows, engaging, interactive and informative and peer generated video reviews on businesses, events and lifestyle. A key dynamic of the consumer proposition is the BRTV free mobile phone App which enhances engagement, allowing consumers to contribute personal video reviews in a socially interactive format.

Further information about BRTV is available from the BRTV website at [www.bigreviewtv.com](http://www.bigreviewtv.com).

## 4.2 Directors of BRTV

The BRTV board of directors is comprised of three Executive Directors as at the date of this document:

- Brandon Evertz, Executive Director and Business Development Manager
- Ben Hunter, Executive Director and Sales and Marketing Manager
- Sonia Thurston, Executive Communications Director

Profiles and brief summaries of the experience of each of the directors of BRTV, as at the date of this document, are set out below apart from the profile of Sonia Thurston which is set out in **section 3.8**.

### **Brandon Evertz, Executive Director and Business Development Manager**

BRTV is Brandon's brainchild. Focusing on his passion for video, Brandon set himself a challenge in 2012 to create a unique Internet based business concept

that not only leveraged internet usage trends but also withstood tough business start-up revenue generation requirements. Brandon has placed himself at the sharp end of the business and been personally responsible for trials of the BRTV business model, video direction and production and business development. Brandon's passion for BRTV and his experience of what works and why, make him a unique and highly valuable team member.

**Ben Hunter, Executive Director and Sales and Marketing Manager**

Ben's background is in media sales, specifically within radio. His business acumen, networking and sales skills led him to start his own media business Hunter Media, specializing in digital marketing and attracting many clients. Ben's experience in e-marketing, his lateral thinking and enthusiasm make him a valuable asset to the BRTV management team.

## **4.3 History of BRTV**

From initial market entry and proof of concept effort to the date of this document the business has attracted over 2,500 SME businesses who have had a video produced or are in the process of having a video produced mostly along the Eastern Seaboard area of Australia.

The company has demonstrated a high uptake rate from cold call sales to business owners in varied industries, commerce and trade.

BRTV has positioned itself as a disruptive innovator and developed systems, processes and technologies that challenge traditional methods of video production. As a result, the company is now able produce quality video at a fraction of traditional video production costs. The BRTV video production model is fully scalable globally and forms part of the company's core intellectual property.

An online demonstration platform was developed to showcase the SME member videos and illustrate the offering to potential customers. This has now been upgraded to a contemporary platform solution using the latest in scalable technology infrastructures to allow for the businesses forecast growth.

Market research conducted in June 2013 by BRTV found that of 157 members of the public interviewed, 75% stated that they would use the BRTV App and website. Of these, 88% volunteered their contact details in order to be first to receive the App.

To develop and fine-tune the business and revenue model, BRTV has been targeting and selling video production premium services to businesses in Sydney, Melbourne, Perth and Brisbane. BRTV has also launched a pilot program in London to establish the scalability of the business processes and further validate the market research undertaken.

The company believes that it has developed a carefully crafted brand that appeals to and leverages current consumer trends and attitudes.

#### 4.4 Recent financial performance of BRTV

Set out below is the unaudited BRTV Profit and Loss Statement for the year ended 30 June 2014 as provided by BRTV.

##### **BRTV unaudited profit and loss statement as at 30 June 2014**

<b>Total Income</b>	<b>\$151,855</b>
<b>Total Cost of Sales</b>	<b>\$245,144</b>
<b>Gross Profit</b>	<b>-\$93,289</b>
<b>Total Other Income</b>	<b>\$5,217</b>
<b>Total Operating Expenses</b>	<b>\$669,514</b>
<b>Net Profit</b>	<b>-\$757,586</b>
Income Tax Benefit	\$219,890
<b>Profit after Income Tax</b>	<b>-\$537,696</b>

BRTV has not passed through its first full year audit process.

The business was formed in May 2013 however it only started charging for its services from February 2014 (as preceding activities were delivered as proof of concept and testing). Post February, origination and production activities have generated the majority of the \$151,000 of revenue shown with the balance from subscription fees. As at the date of this document, BRTV has produced in excess of 2,000 videos including initial marketing and proof of concept videos.

There is a time lag between when a SME customer agrees to have a video filmed and produced and when it is presented to them and invoiced.

Set out below is the unaudited BRTV Balance Sheet for the year ended 30 June 2014 as provided by BRTV.

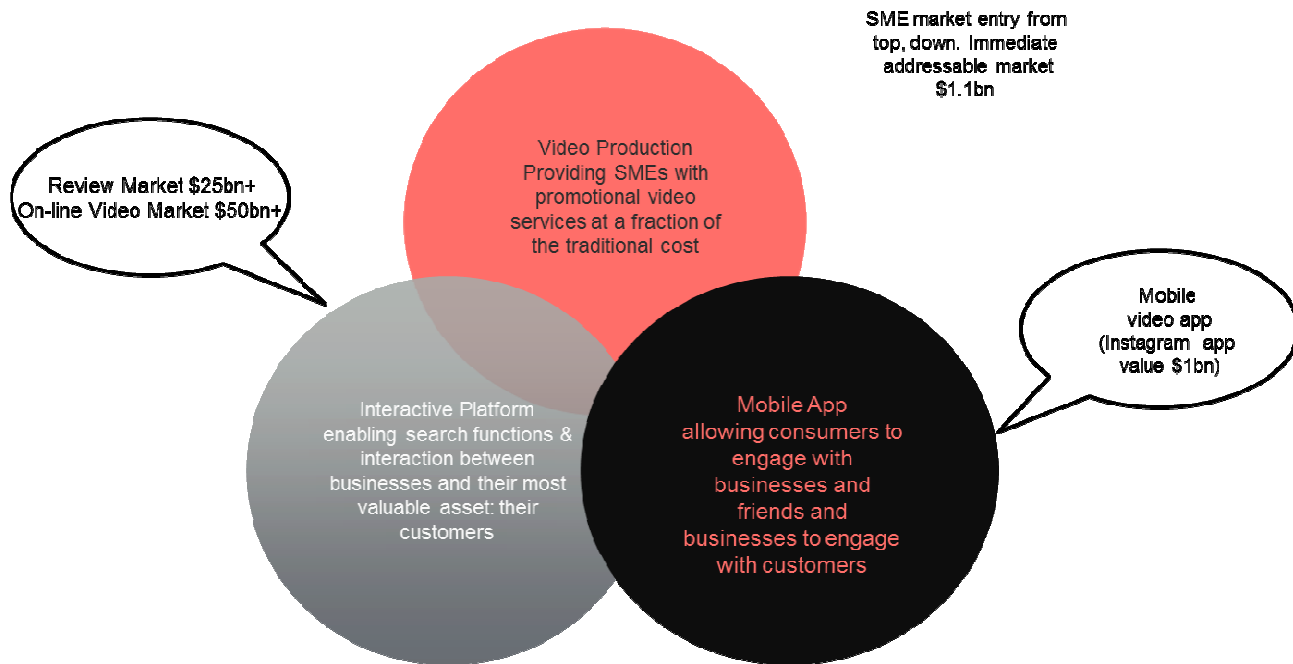


# BRTV unaudited balance sheet as at 30 June 2014

Statement of Financial Position	
As at 30 June 2014	
	<b>BIG REVIEW TV LIMITED</b>
	<b>30-Jun-14</b>
	<b>\$</b>
<b>CURRENT ASSETS</b>	
Cash & cash equivalents	783,401
Trade and other receivables	50,313
<b>Total Current Assets</b>	<b>833,714</b>
<b>NON-CURRENT ASSETS</b>	
Property, plant and equipment	34,853
Web and App Platform	111,279
Deferred Tax Asset	217,860
<b>Total Non-Current Assets</b>	<b>363,992</b>
<b>TOTAL ASSETS</b>	<b>1,197,706</b>
<b>CURRENT LIABILITIES</b>	
Trade and other payables	101,761
<b>Total Current Liabilities</b>	<b>101,761</b>
<b>NON CURRENT LIABILITIES</b>	
Convertible note	378,000
<b>Total Non Current Liabilities</b>	<b>378,000</b>
<b>TOTAL LIABILITIES</b>	<b>479,761</b>
<b>NET ASSETS</b>	<b>717,945</b>
<b>EQUITY</b>	
Issued capital	1,267,060
Accumulated losses	(549,115)
Reserves	-
<b>TOTAL EQUITY</b>	<b>717,945</b>

\*Note that the convertible note has been converted since 30 June 2014.

## 4.5 BRTV – Operations and strategy



### (a) The Three Business Pillars of Big Review TV

The company has developed a business offering with three distinct pillars.

**Video Review Services** – at its core, BRTV offers a video review service for SMEs. The market for this offering has been independently validated and valued at over \$1 billion in 4 key markets.

**User Generated Content and Review Service** – BRTV engages the consumer market through a global, video-driven review platform that integrates video, internet, social media, a mobile phone application and TV review shows in an engaging and dynamic format.

**Small Business Marketing Services** – BRTV is advantageously placed to leverage its relationships with SME customers and consumers to offer extremely valuable small business marketing services.

(b) **Video Production Revenue**

**The revenue model**

The initial revenue model is derived from the initial operating model set out below, which is currently generating in excess of 250 originations per week:

- Step 1 Client commits to video production at fee of \$399 – no fee is paid if the client is unhappy with the video.
- Step 2 Following production and presentation / acceptance of the video the client commits to 1 of 5 hosting packages:
- \$nil / week: Bronze
  - \$7.50 / week: Silver
  - \$25.00 / week: Gold
  - \$50.00 / week: Platinum
  - \$75.00 / week: Platinum plus (including TV show)
- Step 3 Ongoing marketing and upsell and renewal or refilming of new content adds to recurring revenue.

The revenue income from video reviews is derived from video hosting packages. The table below sets out a summary of the different hosting packages offered. A full review of hosting package options is available on BRTV's website at: <http://bigreviewtv.com/membership>.

Package	Price	Description
Bronze	\$399 plus \$nil p/wk	15-30 second video produced and is hosted on BRTV platform.
Silver	\$399 plus \$7.50 p/wk	15-30 second video product hosted on BRTV platform and with product licenced for marketing use by SME. For 12 months.
Gold	\$399 plus \$25.00 p/wk	60-90 second video product hosted on BRTV platform and licenced for marketing use by SME for 12 months.
Platinum	\$399 plus \$50.00 p/wk	2 minute 30 second video product including presenter and multiple camera. Hosted on BRTV platform. Additional suite of 15, 30 & 60 second video licenced for marketing use by SME for 12 months.
Platinum plus!	\$399 plus \$75.00 p/wk	Platinum + Feature in BRTV video TV show.

(c) **Ongoing revenue model**

The BRTV business model will allow the company to generate revenues from multiple sources including:

- SME business membership fees (\$399 upfront) – as above.
- SME business weekly subscription fees (between nil and \$75.00 per week) depending on the package subscription – as above.
- ecommerce sale and financial or booking platform.

- App user upgrade.
- Big data and email campaign.
- Web/App advertising.
- Big Review Bucks (discount vouchers).
- Big Review TV Show advertising and sales.

The company is presently focussing on the initial revenue model income generated from the SME video offering and associated SME business membership fees.

**(d) The Big Review TV Mobile Phone App**

The Big Review TV mobile phone App is an important and integral part of our platform, facilitating peer generated content, social media sharing, information updates and allowing business/consumer interaction.

Significant monetary value has been placed on social media sharing mobile phone apps developed in recent years. However, BRTV believe that the successful apps of the future will be video-centric, video-focused and part of an interactive communication process.

The mobile phone App has been designed to be fun, simple to use and facial recognition functionality will be included within the registration process to avoid anonymous/malicious posting.

**(e) The Big Review TV Competitive Advantage**

BRTV has developed intellectual property to produce and showcase the video review offering including the ability to create quality video marketing at a significantly lower cost compared to traditional production costs, a video review mobile application and an online global search function providing auto-generated business profile pages. This combines with first mover advantage to place BRTV ahead of the competition at this time. BRTV intends to continue to invest in the video review platform in order to stay ahead of new entrants into the video review space and to further enhance and streamline the video production process to maximise the profitability of the business.

**(f) The Big Review TV Growth Strategy**

By leveraging its first mover advantage, BRTV aims to position itself as the world's largest video search and review platform. This will be achieved by implementing growth strategies to ensure the rapid expansion of market share thereby restricting the risk of significant competition from new entrants. BRTV has developed modular and scalable production and sales processes in order to gain market share rapidly with modest upfront investment. These growth methodologies will be initially implemented in Australia before being deployed into the United Kingdom and then the United States.

## 4.6 Applications

### (a) Upfront application fees

Once videos are produced and accepted by the customer, the \$399 application fee is charged. There is a lag between agreement to have a video produced and the production and invoicing payment of same.

Applications to have a video produced have historically been at levels indicated in the chart below:

#### Applications for Video production



While happy to see the strong growth in applications in the last several weeks, BRTV directors are not forecasting these levels to continue as marketing campaigns may change as the business better understands its market and price points.

### (b) Ongoing subscription fees

Subscription fees in relation to the actual membership package accepted by the customer are being charged to customers on a 12 month contract, as set out in **section 4.5(b)**.

## 4.7 Material contracts

The business has entered the following material contracts:

Property Lease (Newport) - Nextclick Pty Ltd 26/5/14 – 25/5/15 \$3,356.21 per month

Property Lease (Frenchs Forest) - Norwest Commercial and Industrial Real Estate Pty Ltd 15/7/14 – 14/7/15 \$3,000 per month plus outgoings

Telecommunications - Live Communications 12/8/14 – 11/8/17 \$895 per month

Online Storage – Amazon Web Services (details confidential)

## 4.8 Related party agreements

There are no related party agreements other than the executive employment agreements referred to in **section 4.16**.

#### 4.9 BRTV securities

Based on information provided by BRTV, the total number of securities in each class in BRTV at the date of this document is as follows:

(a) **Shares**

Class	Number
Fully paid ordinary shares	139,750,201

#### 4.10 BRTV Shareholders

As at the date of this document, the substantial shareholders of BRTV were as follows:

Shareholder	Number of shares over which Relevant Interest held	Percentage interest
Richbrandson Pty Ltd	35,302,805	25.3%
Cherryox Pty Ltd	11,978,615	8.6%
Tink Nominees Pty Ltd	11,171,159	8.0%
Coddington Nominees Pty Ltd	8,843,598	6.3%
Big Neo Pty Ltd	8,000,000	5.7%

#### 4.11 Recent trading history of BRTV Shares

None of the BRTV securities are listed for trading on a stock exchange.

The price at which BRTV last raised capital was at \$0.15 per share.

Approximately \$0.9 million was raised from the issue of 6,013,339 shares.

Applying that share price to all shares currently on issue values BRTV at \$21.0 million.

The tables below show the capital that has been raised by the company and notes the differences between capital raised under formal placements or raising programs and the initial founder shares and payments made in shares in lieu of expenses or for capitalised interest on convertible notes.

Capital raising programs				
Date		Share Price	Number of Shares	Amount Raised
May-13		0.01	1,923,077	25,000
Jun-13		0.04	1,075,000	43,000
Jul-13 - Nov-13		0.05	2,710,000	135,500
May-13		0.10	1,850,000	185,000
Dec-13 - May-14		0.15	6,013,339	902,001
			13,571,416	1,290,501
Payments in kind or conversion of Convertible notes or Founder shares				
Date	Description	Share Price	Number of Shares	Amount Raised
May-13	Founder shares	na	113,222,485	na
May-13 - Nov-13	Convertible Note	0.013 - 0.05	12,600,000	408,000
Jul-13 - May-14	Legal Service	0.05	100,000	5,000
Jan14 - Sep-14	IT Services	0.05 - 0.15	256,300	16,137
			126,178,785	429,137
<b>Total</b>			139,750,201	1,719,638

As can be seen in excess of 52% of BRTV's issued share capital has been raised at \$0.15 per share.

#### 4.12 Republic's Relevant Interests and voting power

Before the date of this document, Republic did not have a Relevant Interest in any BRTV Shares or BRTV Options. On 8 October 2014, Republic entered into the BRTV Loan Agreement under which it agreed to loan BRTV, in aggregate, \$450,000 as described in **section 3.13**. The initial \$250,000 loaned under the BRTV Loan Agreement is convertible into 1,666,667 shares (subject to adjustment) in BRTV on the satisfaction of certain conditions. To the extent applicable, the further amount of \$200,000 made available under the BRTV Loan Agreement is convertible into 1,333,333 shares (subject to adjustment) in BRTV on the satisfaction of certain conditions.

#### 4.13 Interests of Republic directors in BRTV securities

As at the date of this document, none of the directors of Republic had a Relevant Interest in any BRTV securities.

#### 4.14 Dealings in BRTV Shares

Except as set out in **sections 4.12** and **4.13**, in the four months ending on the day immediately before the date of the Takeover Offer, neither Republic nor an associate of Republic provided, or agreed to provide, consideration for any BRTV Shares under an agreement or purchase.

#### 4.15 Benefits to BRTV Shareholders

In the four months ending on the day immediately before the date of the Takeover Offer, except as described below, neither Republic nor any associate of Republic gave, 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) accept the Takeover Offer; or
- (b) dispose of BRTV Shares,

which benefit was not offered to all BRTV Shareholders.

Following the completion of the Takeover Bid, Republic intends to appoint three BRTV Shareholders, Sonia Thurston, Richard Evertz and Andrew Corner as directors of Republic. As these proposed directors are BRTV Shareholders, they are entitled to receive Republic Shares and Republic Options as Consideration for accepting the Takeover Offer.

#### **4.16 Executive employment agreements**

The following executives are currently employed either under contract or as an employee by BRTV. It is anticipated that post completion of the Takeover Offer, all will be moved to employment contracts with the Merged Group into the roles set out below.

Employee	Role within Merged Group	Gross remuneration
Richard Evertz	CEO and MD	\$216,000
Andrew Corner	CFO and ED	\$198,000
Brandon Evertz	COO	\$135,000
Sonia Thurston	Head of Communications and ED	\$198,000
Ben Hunter	Head of Marketing	\$135,000

The material terms upon which each of the above-named persons have been approached to be employed by the Merged Group following completion of the Takeover Offer will include:

- (i) 12 month voluntary escrow provisions regarding any Republic Shares and Republic Options received by them under the Takeover Offer;
- (ii) customary 6 month non-compete provisions where employment is terminated within 2 years of commencement (reducing to a 3 month non-compete where employment is terminated after that time); and
- (iii) customary post termination (6 months) non-solicitation of staff or clients provisions in respect of the Merged Group.

Note that employees will have access to a yet to be defined incentive scheme using shares and/or options of the Merged Group once formed. Once formed the reconstituted Republic Board will approve such a scheme and advise the market. It is likely the scheme will involve up to 10% of the shares or options over shares of the Merged Group.

#### **4.17 Agreements for increased price or other benefits**

Neither Republic nor any of its associates has entered into a transaction prohibited by section 622(1) of the Corporations Act being a transaction whereby a benefit is to be passed and the amount or value of the benefit is determined by reference in whole or part to the Consideration offered under the Takeover Bid or the consideration offered for acquisition of BRTV Shares outside the Takeover Bid during the Offer Period.



#### **4.18 No agreement between Republic and BRTV or the directors of BRTV**

There is no agreement between Republic and BRTV nor any of the directors of BRTV in connection with or conditional upon the outcome of the Takeover Offer otherwise than as referred to in this document.

## **5 Republic's intentions**

### **5.1 Introduction**

The acquisition by Republic of BRTV will represent a significant change in the nature and scale of Republic's activities as contemplated by ASX Listing Rule 11.1.

This section sets out Republic's intentions relating to:

- (a) the continuation of the business of BRTV;
- (b) any major changes to the business of BRTV and redeployment of the fixed assets of BRTV; and
- (c) the future employment of the present employees of BRTV.

Republic's intentions, as detailed below, have been formed on the basis of information concerning BRTV which is known to Republic as at the date of this document. This includes information ascertained in limited due diligence enquiries made by Republic in respect of BRTV since May 2014 (see **section 13.4**). The statements set out in this **section 5** are statements of Republic's current intentions only which may change as new information becomes available and circumstances become apparent or change.

### **5.2 Intentions upon acquisition of more than 90%**

If Republic becomes entitled to at least 90% of BRTV Shares, then, subject to satisfaction or waiver of the other Conditions of the Takeover Offer, Republic intends to:

- (a) proceed to compulsory acquisition of the outstanding BRTV Shares in accordance with the provisions of the Corporations Act;
- (b) appoint Sonia Thurston, Richard Evertz and Andrew Corner as directors of Republic;
- (c) change the name of Republic to "Big Un Limited" or such other name as Republic and BRTV agree;
- (d) promptly identify administrative functions across the Merged Group including corporate, finance and accounting, marketing, human resources, information technology, legal and risk management functions with a view to centralising these functions; and
- (e) continue implementing the BRTV strategy under the direction of the new Republic Board.

### **5.3 Intentions upon acquisition of less than 90%**

Republic has no current intention to waive the Minimum Acceptance Condition (but it reserves its right to do so).

If Republic declares the Takeover Offer to be free from the Conditions in **section 14.13** and Republic does not acquire at least 90% of BRTV Shares and is therefore not entitled to compulsorily acquire the outstanding BRTV Shares, Republic intends (subject to the level of Republic's shareholding in BRTV) to:

- (a) acquire BRTV Shares over time so as to enable Republic to move to compulsory acquisition; and
- (b) seek to implement such of the intentions as are detailed in **section 5.2** as are consistent with BRTV being a controlled entity of Republic but not a wholly owned subsidiary.

The implementation of any of the steps in this **section 5.3** would only be undertaken where those steps are in accordance with all applicable legal and regulatory requirements, the ASX Listing Rules, the fiduciary and statutory duties of the directors of Republic and after considering the advice of legal and financial advisers. In particular, the Republic directors may only implement any such steps if they consider the steps to be in the best interests of shareholders of Republic as a whole.

The description of Republic's intentions in this **section 5.3** is not to suggest that Republic would declare the Takeover Offer free from the Minimum Acceptance Condition.

## 5.4 Other intentions

Subject to the changes and intentions set out in this **section 5.4**, Republic intends, based on the information presently known to it:

- (a) to continue the business of BRTV;
- (b) not to make any major changes to the business of BRTV or the deployment of BRTV's assets; and
- (c) to continue the employment of BRTV's present employees.

Subject to the changes and intentions set out in this **section 5.4**, Republic does not foresee a significant shift from the current strategic direction of BRTV in relation to its core businesses and does not intend to divest any of BRTV's businesses.

## 6 Effect of acquisition

This section contains pro forma financial information which has been prepared to illustrate the financial performance and position of the operations of Republic and BRTV on a combined basis.

The pro forma financial information has been prepared in order to give investors an indication of the scale and size of the Merged Group and the hypothetical impact upon Republic of acquiring BRTV. It does not necessarily illustrate the financial position that would have been obtained or the financial performance which would have occurred had the acquisition of BRTV by Republic occurred on or before 30 June 2014, nor does it necessarily illustrate the likely effect of the acquisition on earnings or earnings per share in future years.

The pro forma financial information presented in this section should also be read in conjunction with the risk factors set out in **section 10**, other information

contained in this document and the accounting policies of Republic and BRTV as disclosed in their most recent financial reports.

## 6.1 Auroch shares and options

Republic Shareholders voted to approve the divestment of ASMoz on 29 September 2014. It is the intention of the directors of Republic as at the date of this document to hold the shares available for sale at a later time when the value of the combined Auroch and ASMoz business is better reflected in the market price of Auroch shares at which time Republic would consider bids for its shares and options.

Should completion of the sale to Auroch not occur for other reasons (for example, notwithstanding the extension of time referred to in **section 3.3** for the satisfaction of all required conditions precedent to completion) then the Board will consider at that time the actions it will take regarding its holding of the ASMoz Company and its assets. The most likely scenarios for consideration by the Board will be either selling the assets to another acquirer or if that cannot be suitably executed, to winding up operations in Mozambique and closing the company.

## 6.2 Capital structure

The Takeover Offer is being made on a post Consolidation basis. As a condition to the Recompliance, Republic must, among other things, implement the Consolidation of its share capital. Accordingly, at the Republic Shareholder Meeting, approval by the Republic Shareholders will be sought to, among other things, consolidate Republic's share capital on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share.

Assuming that 100% acceptances are received under the Takeover Offer, the table below sets out the effect that the Takeover Offer and Prospectus Offer will have on Republic's capital structure:

Capital structure of Republic	Republic Shares	Republic Options
Existing pre Consolidation Republic Shares	384,478,960	-
Post Consolidation Republic Shares	12,815,965	-
Republic Shares (approximately) to be issued pursuant to the Takeover Offer	32,955,339	-
Republic Options (approximately) to be issued pursuant to the Takeover Offer	-	3,295,534
Republic Shares (approximately) to be issued pursuant to the Prospectus Offer	15,000,000	-
<b>Issued capital (after the Takeover Offer and Prospectus Offer, on a post Consolidation basis)</b>	<b>60,771,305</b>	<b>3,295,534</b>

The dilutionary impact to the Republic Shareholders, as a result of the issue by Republic of the Consideration under the Takeover Offer but without reflecting the issue of the Republic Shares under the Prospectus Offer, will be approximately 72% (ie the holders of BRTV Shares as at the Relevant Date will, on completion of the Takeover Bid but prior to the completion of the Prospectus Offer, hold up to 72% of the share capital of the Merged Group).

The Republic Shares issued under the Prospectus Offer will have a dilutionary impact to all holders of Republic Shares after the completion of the Takeover Bid (ie, including BRTV Shareholders who accept the Takeover Offer).

### **6.3 Pro forma statement of financial position**

The table in this **section 6.3** contains a pro forma statement of financial position of the Merged Group as at 30 June 2014 assuming that the acquisition of BRTV had been completed as at 30 June 2014 on the basis of 100% acceptance of the Takeover Offer.

The table has been created by Gunderson Briggs Chartered Accountants (**Gunderson Briggs**) based on the audited financial statements of Republic and the unaudited financial statements of BRTV applying the adjustments and assumptions discussed below. Gunderson Briggs have not opined on the appropriateness of the acquisition nor have they performed due diligence on BRTV.

**Pro forma Statement of Financial Position**  
**Merged Republic Gold Limited and BRTV Limited**  
**(pre Prospectus Offer)**  
**As at 30 June 2014**

	Ending Balance 30-Jun-14 \$
<b>CURRENT ASSETS</b>	
Cash & cash equivalents	2,770,450
Trade and other receivables	160,858
Asset of disposal group classified as held for sale	310,000
<b>Total Current Assets</b>	<b>3,241,308</b>
<b>NON-CURRENT ASSETS</b>	
Property, plant and equipment	36,291
Web and App Platform	111,279
Deferred Tax Asset	217,860
Goodwill on acquisition	6,133,996
<b>Total Non-Current Assets</b>	<b>6,499,426</b>
<b>TOTAL ASSETS</b>	<b>9,740,734</b>
<b>CURRENT LIABILITIES</b>	
Trade and other payables	264,843
<b>Total Current Liabilities</b>	<b>264,843</b>
<b>TOTAL LIABILITIES</b>	<b>264,843</b>
<b>NET ASSETS</b>	<b>9,475,891</b>
<b>EQUITY</b>	
Issued capital	65,587,436
Accumulated losses	(56,937,493)
Reserves	825,948
<b>TOTAL EQUITY</b>	<b>9,475,891</b>

(a) **Assumptions and adjustments**

The pro forma statement of financial position in this **section 6.3** reflects the following adjustments and assumptions:

- (i) each Republic Share to be issued as Consideration under the Takeover Offer will have an issue price of \$0.20. The closing price of Republic Shares on ASX on the day these calculations was made – 26 September 2014 was \$0.007 or on a post Consolidation basis this is equivalent to \$0.21;
- (ii) the number of Republic Shares on issue as at the Announcement Date was 384,478,960 Republic Shares;
- (iii) the number of BRTV Shares on issue as at the Announcement Date was 139,750,201 BRTV Shares;
- (iv) 100% of BRTV Shareholders accept the Takeover Offer;
- (v) the accounting policies of Republic and BRTV are similar and consistent in all material aspects;
- (vi) the convertible notes in BRTV have all been converted into shares in BRTV by their holders; and
- (vii) goodwill on acquisition of \$6.1 million has been created as a result of the transaction.

## **6.4 Prospects**

(a) **Earnings per share**

The impact of the acquisition of BRTV on the reported earnings per share of Republic will depend on a number of variables, including the effective date of acquisition for accounting purposes, the profitability of BRTV and the timing and level of cost savings achieved.

In the year to 30 June 2015, being the first financial year following completion of the merger, and during which only some of the annualised synergy benefits are expected to be achieved, the acquisition is expected to have little or no impact on earnings per share. It is expected that earnings per share will be enhanced in ensuing years as the business moves into an earnings positive position.

It should be noted that the earnings per share observations set out above relating to the financial years ending 30 June 2015 and beyond are based on internal profit forecasts for BRTV and on earnings projections for the year ending 30 June 2015 provided to Republic by BRTV. Various risks (including integration risks) may have an affect on the future earnings per share position of Republic on a stand-alone basis and of the Merged Group. These risks are outlined in more detail in **section 10**.

(b) **Dividend policy**

Republic has never declared a dividend.

The payment of any dividend and level of franking in respect of any year are subject to the operating performance and financial position of Republic, the amount of franking credits carried forward and the amount of Australian income tax paid on earnings in that year. Future determinations as to the payment of dividends by Republic will be at the discretion of the

directors of Republic and will depend upon the availability of distributable earnings and franking credits, the operating results and financial condition of Republic and its subsidiaries, future capital requirements, covenants in relevant financing agreements, general business and financial conditions and other factors considered relevant by the directors of Republic. No assurance is, therefore, given in relation to the payment of future dividends or the extent to which any such dividends may be franked.

## **7 Issue of Republic Shares and Republic Options**

### **7.1 Issue of Republic Shares and Republic Options**

The Consideration being provided to BRTV Shareholders in connection with the Takeover Offer is comprised of Republic Shares and Republic Options. The maximum number of Republic Shares and Republic Options to be issued pursuant to the Takeover Offer will be approximately 33.0 million Republic Shares and 3.3 million Republic Options, (on a post Consolidation basis, and subject to minor adjustments for rounding), assuming Republic acquires all of the BRTV Shares subject to the Takeover Offer.

The issue of Republic Shares and Republic Options to BRTV Shareholders who accept the Takeover Offer will be made directly by Republic. No shareholder approvals or other third party consents are required for the issue of those shares or options.

### **7.2 Quotation of Republic Shares and Republic Options**

Republic will make an application within seven days after the date of this document to ASX for admission to quotation of the Republic Shares that may be issued under the Takeover Offer. Republic currently intends to make an application within seven days after the date of this document to ASX for admission to quotation of the Republic Options that may be issued under the Takeover Offer. Quotation is not guaranteed or automatic but will depend on ASX exercising its discretion under the ASX Listing Rules.

Republic has already been admitted to the official list of ASX and shares in Republic of the same class as those to be issued under the Takeover Offer are already quoted on the official list of the ASX. Republic cannot guarantee, and does not represent or imply, that the Republic Shares and Republic Options to be issued under the Takeover Offer will be quoted. In accordance with the Corporations Act, the quotation of the Republic Shares and Republic Options (if applicable) to be issued under the Takeover Offer is a condition to the Takeover Offer under **section 14.20**.

## 8 Change in nature and scale of Republic's activities

### 8.1 Change in nature and scale

The completion of the Takeover Offer will result in Republic undergoing a significant change in nature and scale of its activities as contemplated by ASX Listing Rule 11.1, from a gold exploration company to a digital video-based search and review business and community manager.

To effect this change, Republic must receive approval from its shareholders at the Republic Shareholder Meeting. Further information on the Republic Shareholder Meeting is set out in **section 8.4** below.

### 8.2 Recompliance with ASX Listing Rules

Following such a change in nature and scale, ASX may exercise its discretion to require a company to recompile with Chapters 1 and 2 of the ASX Listing Rules. In this case, ASX has indicated to Republic that it will require Republic to recompile with these provisions.

To comply with Chapters 1 and 2 of the ASX Listing Rules, Republic must, among other things:

- carry out the Consolidation of its share capital such that Republic Shares have an issue price of at least \$0.20 each. This requires approval of the Republic Shareholders;
- satisfy the shareholder "spread" requirements of the ASX Listing Rules;<sup>2</sup> and
- issue the full form Prospectus and raise the \$1 million minimum subscription under the Prospectus Offer. The issue of Republic Shares under the Prospectus Offer also requires the approval of Republic Shareholders.

The Republic Shares will be suspended from trading from the commencement of trading on the date of the Republic Shareholder Meeting until Republic has satisfied the recompliance requirements for the Recompliance under Chapters 1 and 2 of the ASX Listing Rules.

The Company intends to lodge the Prospectus in connection with the Prospectus Offer shortly after the date of this document.

Upon completion of the Takeover Offer and the Prospectus Offer, and if the Essential Republic Shareholder Resolutions are passed at the Republic Shareholder Meeting, Republic considers that it will be in a position to satisfy the requirements of Chapters 1 and 2 of the ASX Listing Rules, resulting in the Republic Shares (including the Republic Shares issued as Consideration under the Takeover Offer) being readmitted to trading on ASX.

### 8.3 Conditionality of Takeover Offer

To ensure the Takeover Offer only proceeds if the Republic Shares can be readmitted to trading on ASX following completion of the Takeover Offer, the Conditions to the Takeover Offer include (but are not limited to) Republic:

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<sup>2</sup> These requirements are set out in condition 7 of ASX Listing Rule 1.1.



- obtaining Republic Shareholder approval for the change in nature and scale of Republic's activities for the purposes of ASX Listing Rule 11.1;
- obtaining Republic Shareholder approval for the Consolidation of Republic's share capital so that the Republic Shares have an issue price of at least \$0.20 each; and
- the Prospectus Offer closing and, as at the close of the Prospectus Offer, Republic receiving or becoming entitled to receive, in immediately available funds, gross proceeds of no less than \$1 million as a result of subscriptions made under the Prospectus Offer.

#### **8.4 Republic Shareholder Meeting**

It is anticipated that the Company will schedule the Republic Shareholder Meeting on or around 17 November 2014. The Company will seek to obtain approval for all of the Essential Republic Shareholder Resolutions, being the resolutions to approve:

- the significant change in the nature and scale of Republic's activities as a result of the successful completion of the Takeover Offer;
- the issue of Republic Shares under the Prospectus Offer; and
- the Consolidation of Republic's share capital.

In addition to the Essential Republic Shareholder Resolutions, the Company will also seek approval for the following resolutions:

- the change of the name of Republic from "Republic Gold Limited" to "Big Un Limited" or such other name as Republic and BRTV agree; and
- subject to the Takeover Offer becoming Unconditional, the appointment of 3 nominees of BRTV, being Richard Evertz, Sonia Thurston and Andrew Corner, to the Republic Board.

If the resolution changing the name of the Company is approved, the change of name will take effect after the successful completion of the Takeover Offer and when ASIC alters the details of Republic's registration. The proposed name "Big Un Limited" has been reserved by Republic and if the resolution is approved, Republic will lodge a copy of the special resolution with ASIC on successful completion of the Takeover Offer in order to effect the change.

All of the resolutions to be considered at the Republic Shareholder Meeting are conditional upon the passing of each of the Essential Republic Shareholder Resolutions. If any of the Essential Republic Shareholder Resolutions are not approved, all of the resolutions to be considered at the Republic Shareholder Meeting will fail and the Takeover Offer (as well as the Prospectus Offer) will not be completed.

Further details of the proposed resolutions are contained in the Notice of Meeting relating to the Republic Shareholder Meeting to be issued by Republic on or around 17 October 2014.

## **9 Rights and liabilities attaching to Republic Shares**

The Republic Shares issued under the Takeover Offer will be issued fully paid and will rank from the date of issue equally for dividends and other rights with existing Republic Shares.

This section contains a summary of the key rights and liabilities attaching to the Republic Shares.

This summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of the Republic Shareholders, which can involve complex questions of law arising from the interaction of Republic's constitution and statutory, common law and ASX Listing Rules requirements. BRTV Shareholders should seek their own advice when trying to establish their rights and liabilities in specific circumstances.

To obtain a free copy of Republic's constitution during the Offer Period, BRTV Shareholders may contact the offer enquiry line on +61 2 9220 9500.

### **9.1 Constitution of Republic**

Under section 140(1) of the Corporations Act, the constitution of Republic has effect as a contract between Republic and each shareholder and between a shareholder, Republic and each other shareholder. Accordingly, if you accept Republic Shares as Consideration you will, as a result, become liable to comply with the constitution of Republic. However, since the Republic Shares issued as Consideration under the Takeover Offer will be issued as fully paid, no monetary liability attaches to them.

### **9.2 Meetings of shareholders**

Subject to the provisions of the constitution of Republic, each Republic Shareholder is entitled to receive notice of, and to attend and vote at, general meetings of Republic and to receive all notices, accounts and other documents required to be furnished to Republic Shareholders under the constitution of Republic, the Corporations Act and the ASX Listing Rules.

A general meeting may be called by a resolution of the directors of Republic or at the request of Republic Shareholders with at least 5% of the votes that may be cast at the general meeting.

### **9.3 Voting rights**

At a general meeting, subject to a number of specific exceptions, every Republic Shareholder present in person or by proxy or duly appointed representative has on a show of hands, one vote and upon a poll, one vote for every Republic Share held by that Republic Shareholder.

### **9.4 Dividends**

The directors of Republic may pay any interim or final dividends that, in their judgment, appear to be justified by the profits of Republic. Dividends are payable equally on all Republic Shares. Republic Shares issued as Consideration for BRTV Shares will be entitled to dividends with a record date on or after the date of issue.

## 9.5 Variation or cancellation of class rights

The rights attached to any class of Republic shares, unless otherwise provided for by the terms of issue of those shares, may only be varied or cancelled with the consent in writing of the holders of 75% of the issued shares in the relevant class, or with the sanction of a special resolution passed at a meeting of the holders of the shares in that class. At present, there is only one class of shares in Republic on issue.

In either case, Republic shareholders with at least 10% of the votes in the class whose rights have been varied or cancelled may apply to a court of competent jurisdiction to exercise its discretion to have the variation or cancellation set aside.

## 9.6 Transfer of shares

Subject to Republic's constitution, the Corporations Act, the ASX Listing Rules and the ASX Settlement Operating Rules, Republic Shares are freely transferable. Republic Shares are transferable by:

- a written transfer in the usual or common form or such other form as the directors of Republic may prescribe or in particular cases accept, duly stamped (if necessary) and being delivered to Republic;
- a proper transfer, which is to be in the form required or permitted by the Corporations Act; or
- a proper transfer effected in accordance with the ASX Settlement Operating Rules.

The directors of Republic may, subject to the requirements of the Corporations Act and the ASX Listing Rules, refuse to register any transfer of Republic Shares in the following circumstances:

- if any law relating to stamp duty prohibits Republic from registering the transfer;
- if Republic is served with a court order restricting the transferor's capacity to make the transfer;
- if the transfer concerns shares over which Republic has a lien; or
- if permitted to do so under the ASX Listing Rules.

## 9.7 Issue of further shares

Subject to **section 3.14**, the directors of Republic may, subject to the restrictions on the allotment of shares under the Corporations Act and the ASX Listing Rules, issue, grant or otherwise dispose of Republic Shares on the terms and conditions and for the consideration they think fit.

Without affecting any special rights conferred on the holders of any shares, any share in Republic may be issued with preferred, deferred or other special rights, obligations or restrictions, whether in regard to dividends, voting, return of share capital, payment of calls or otherwise, as the directors of Republic may determine.

## 9.8 Escrow arrangements

In connection with the Takeover Offer, Republic is required to apply to ASX for the readmission of Republic to the official list of the ASX and terminate the

suspension from official quotation of the Republic Shares, subject to the satisfaction of such terms and conditions as are prescribed by ASX or the ASX Listing Rules.

One such expected condition is that each BRTV director or BRTV Shareholder who will become a director of Republic, and those BRTV Shareholders who will hold at least 10% of the Republic Shares on issue after the completion of the Takeover Offer, must enter into an escrow agreement with Republic in relation to the Republic Shares issued to that BRTV director or BRTV Shareholder that ASX requires be escrowed.

Republic Shares escrowed under such escrow agreements will be subject to the restriction of such escrow arrangement for the duration of time stipulated in the relevant escrow agreement.

The shareholder of BRTV who is subject to ASX-required escrow is Richbrandson Pty Ltd - associated with the MD and CEO Mr Richard Evertz and Mr Brandon Evertz. Current BRTV director Sonia Thurston will also be escrowed due to her board role in Republic moving forward as will Andrew Corner.

In respect of the remaining BRTV Shareholders, BRTV will apply to the ASX for a waiver from ASX Listing Rule 9.1.3 so as to ensure the non-application of the restrictions in paragraphs 1 and 2 of Appendix 9B (as applicable) to those BRTV Shareholders as if they acquired their Republic Shares and Republic Options at the time they acquired their BRTV Shares and for the same consideration. If successful the waiver will ensure the following:

- (a) the Republic Shares and Republic Options issued to them are treated as being held by seed capitalists of the company;
- (b) cash formula relief will be applicable to those Republic Shares and Republic Options that are issued to BRTV Shareholders who applied for their BRTV Shares for cash consideration; and
- (c) the date on which BRTV Shares were issued to them is deemed to be the date on which Republic Shares were issued to those parties.

## **9.9 Winding up**

Subject to any special or preferential rights attaching to any class or classes of shares, in the event of a winding up, a liquidator may (with the sanction of a special resolution) divide among Republic Shareholders the whole or any part of the property of Republic.

## **9.10 Other key provisions of Republic's Constitution**

A summary of some of the key provisions of Republic's constitution (other than those discussed in **sections 9.1 to 9.7** above) is set out below. The summary is not exhaustive.

### **(a) Number of directors**

Republic's constitution provides that the number of directors of Republic must be not less than three nor more than ten (or such other number as the directors may resolve).

(b) **Indemnity**

Republic indemnifies each Officer of Republic against all liability (including liability for costs and expenses) for an act or omission by the Officer.

However, this does not apply in respect of:

- (i) a liability to Republic or a related body corporate of Republic;
- (ii) a liability to some other person that arises out of conduct involving a lack of good faith;
- (iii) a liability for costs and expenses incurred by the Officer in defending civil or criminal proceedings in which judgement is given against the officer or in which the Officer is not acquitted; or
- (iv) a liability for costs and expenses incurred by the Officer in connection with an unsuccessful application for relief under the Corporations Act in connection with the proceedings referred to in **section 9.10(b)(iii)**.

(c) **Amending the constitution**

The Corporations Act provides that the constitution of a company may be modified or repealed by a special resolution by at least 75% of the votes cast by members entitled to vote on the resolution. Republic's constitution does not provide for any further requirements to be complied with to effect a modification of, or to repeal, it.

## 10 Rights and liabilities attaching to Republic Options

This section contains a summary of the key rights and liabilities attaching to the Republic Options issued under the Takeover Offer.

This summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Republic shareholders, which can involve complex questions of law arising from the interaction of Republic's constitution and statutory, common law and ASX Listing Rules requirements. BRTV Shareholders should seek their own advice when trying to establish their rights and liabilities in specific circumstances.

### (a) **Entitlement**

Each Republic Option entitles the holder to subscribe for one Republic Share upon:

- (i) exercise of the Republic Option in accordance with these terms; and
- (ii) payment of the Exercise Price.

### (b) **Exercise price**

The amount payable upon exercise of each Republic Option is \$0.30 (**Exercise Price**).

### (c) **Expiry date**

Each Republic Option will expire at 4:00 pm on 31 December 2017 (**Expiry Date**). A Republic Option not exercised before 4:00 pm on the Expiry Date will automatically lapse.

### (d) **Ranking**

Republic Shares issued on the exercise of the Republic Options will, upon issue, be fully paid, will rank equally with the then issued Republic Shares, and will otherwise be subject to the provisions of the Constitution and any restriction or escrow arrangements imposed on them by ASX or under applicable Australian securities law.

### (e) **Exercise period**

The Republic Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

### (f) **How to exercise a Republic Option**

The Republic Options may be exercised during the Exercise Period by lodging with Republic:

- (i) notice in writing to Republic in the manner specified on the Republic Option certificate (**Notice of Exercise**);
- (ii) payment of the Exercise Price for each Republic Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to Republic; and
- (iii) if the Notice of Exercise of a Republic Option is executed under a power of attorney, a copy of the relevant power of attorney.

The holder of a Republic Option may only exercise a Republic Option by strictly complying with these terms. Any other purported exercise is invalid.

(g) **Restrictions on exercise**

The holder of a Republic Option may not exercise less than 2000 Republic Options at any one time unless the holder has less than 2000 Republic Options in which event the holder must exercise all of the Republic Options together.

(h) **Date of exercise**

The Notice of Exercise is only effective on and from the later of:

- (i) the date of receipt by Republic of the Notice of Exercise; and
- (ii) the date of receipt by Republic of payment of the Exercise Price for each Republic Option the subject of the Notice of Exercise, in cleared funds.

(i) **Timing of issue of Republic Shares**

Within 10 Business Days of receipt of the Notice of Exercise and the full amount of the Exercise Price in cleared funds, Republic will allot the number of Republic Shares required under these terms and conditions in respect of the number of Republic Options specified in the Notice of Exercise to the BRTV Optionholder.

(j) **Listing of Republic Options**

Republic currently intends to apply for quotation of the Republic Options on the official list of the ASX within seven days of date of this document.

Quotation of the Republic Options is not guaranteed or automatic but will depend on ASX exercising its discretion under the ASX Listing Rules.

(k) **Quotation of Republic Shares**

Republic will apply for quotation of all Republic Shares allotted pursuant to the exercise of the Republic Options on ASX within 10 Business Days after the date of allotment of those Republic Shares.

Quotation is not guaranteed or automatic but will depend on ASX exercising its discretion under the ASX Listing Rules.

(l) **Dividends**

The Republic Options confer no entitlement to participate in dividends.

(m) **Reorganisation of capital**

Following any reconstruction, consolidation, subdivision, reduction (by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled), or return or pro rata cancellation of the issued capital of Republic:

- (i) the number and/or Exercise Price of Republic Options will be adjusted in compliance with the Corporations Act and the ASX Listing Rules as at the time of the restructure, with the intention that such restructure will not result in benefits being conferred on the

holder of the Republic Option which are not conferred on Republic Shareholders; and

- (ii) subject to provisions with respect to rounding of entitlements as sanctioned by a meeting of Republic Shareholders approving a reconstruction of capital, in all other respects the terms of exercise of the Republic Options will remain unchanged.

This provision is subject to the ASX Listing Rules and in the event of an inconsistency the ASX Listing Rules will prevail.

(n) **Participation in new issues**

Holders of Republic Options may participate in new issues of securities in Republic.

(o) **Pro-rata issues**

In the event Republic proceeds with a pro rata basis (other than a bonus issue) of Republic Shares to Shareholders after the date of issue of the Republic Options, the Exercise Price will be reduced in the manner permitted by the ASX Listing Rules applying at the time of the pro rata issue.

(p) **Bonus issues**

In the event Republic proceeds with a bonus issue of Republic Shares to Republic Shareholders after the date of the Republic Options, the number of Republic Shares over which a Republic Option is exercisable may be increased in the manner permitted by the ASX Listing Rules applying at the time of the bonus issue.

(q) **Change in Republic Option terms**

A change which has the effect of cancelling a Republic Option for no consideration can be made by the Republic Board.

The terms of Republic Options may not be changed to:

- (i) reduce the Exercise Price;
- (ii) increase the number of securities received on exercise of the Republic Options; or
- (iii) increase any period for exercise of the Republic Options.

A change to terms of Republic Options may otherwise only be changed with the approval of ordinary shareholders.

(r) **Title of Republic Options**

Republic is entitled to treat the registered holder of Republic Options as the absolute holder of that Republic Option and is not bound to recognise any equitable or other claim to, or interest in, that Republic Option on the part of any person other than the registered holder, except as ordered by a court of competent jurisdiction or as required by statute.

(s) **Assignment of Republic Options**

The Republic Options are freely transferrable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.



## 11 Risks

### 11.1 General

BRTV Shareholders who accept the Takeover Offer will become shareholders in Republic (provided the Takeover Offer becomes or is declared Unconditional).

There are a number of risk factors which may affect the future operating and financial performance of Republic and the future investment performance of Republic Shares, many of which are outside the control of Republic and its directors. The future level of dividends, the value of the assets of Republic and the price at which Republic Shares trade on the ASX may be influenced by any of these factors.

This **section 11** describes some risks associated with an investment in Republic. In deciding whether or not to accept the Takeover Offer, you should carefully consider these risks, as well as the other information contained in this document and the information contained in BRTV's Target's Statement.

### 11.2 Share investment

BRTV Shareholders should be aware that there are risks associated with any stock market investment. It is important to recognise that share prices and dividends might fall or rise. Factors affecting the market price include domestic and international economic conditions and outlook, changes in government fiscal, monetary and regulatory policies, changes in interest rates and inflation rates, the announcement of new technologies and variations in general market conditions and/or market conditions which are specific to a particular industry. In addition, share prices of many companies are affected by factors which might be unrelated to the operating performance of the relevant company. Such factors might adversely affect the market price of Republic Shares.

### 11.3 General risks

#### (a) Foreign exchange fluctuations

Revenue generated by the Merged Group may be generated in currencies other than Australian dollars. Foreign currency exchanges rates against the Australian dollar may fluctuate and such fluctuations may impact the revenue of the Merged Group. A negative impact to the revenue of the Merged Group may lead to a decrease in the share price of Republic Shares.

#### (b) Borrowings and interest rate fluctuations

Republic does not envisage any significant assumption of debt in the Merged Group in the short to medium term. To the extent debt is raised then the cost of interest on these borrowings will impact the earnings and performance of the business.

#### (c) Government policy and taxation

Changes in relevant taxation laws, interest rates, other legal, legislative and administrative regimes, and government policies in Australia, may have an adverse affect on the assets, operations and ultimately the financial performance of both Republic and the entities in which Republic invests. These factors may ultimately affect the financial performance of Republic and the market price of the Republic Shares.

## 11.4 Business risks – Republic

In addition to the risks mentioned in **sections 11.2 and 11.3**, the following risks may affect the market price of Republic Shares and future dividends paid by Republic:

### (a) Industry risk

Until the completion of the sale of ASMoz under the Quota Sale and Purchase Agreement, Republic is directly exposed to risks prevalent in the industry in which it operates. After the completion of the sale of ASMoz, Republic's investment in Auroch will be exposed to the same risks, which include, but are not limited to:

- geopolitical risks associated with operating in Mozambique including the potential for civil war, slow and cumbersome bureaucratic processes, risks on key staff operating in remote and or hostile locations. Mozambique has had a history of civil war and other small scale political disturbances, these disturbances may disrupt operations at any time for a short or long period. The risk of operating in such an environment may also make it harder for Republic to attract the appropriate staff to the operations;
- the risk associated with exploration and development generally including uncertainties around the amount and type of resource and reserves available on its various tenements or the discovery of additional resources;
- risks of causing environmental damage and the costs of any clean up;
- construction and technology risk around the build of the necessary plant and specifically sizing of plant and the plant's adaptability to the ore types to be used in the process to produce gold;
- the relatively low volume of shares traded in the company also increases the volatility in share price performance; and
- the uncertain nature of the price of gold and the impact on its underlying projects being able to raise capital.

### (b) Financial instruments

Republic will hold options in Auroch as part consideration received for the sale of ASMoz. These options may have some or nil value depending on the value of the underlying Auroch shares and the time to expiry.

Similarly, BRTV shareholders will receive Republic Options as part consideration for the sale of their BRTV shares. The value of these options may have some or nil value depending on the value of the underlying Republic Shares and time to expiry.

### (c) Litigation

The risk of litigation is a general risk of Republic's business. So far as the directors of Republic are aware, however, there is no current, pending or threatened litigation, arbitration proceeding, administrative appeal, or criminal or governmental prosecution in which Republic or its subsidiaries is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of Republic. There are,

however, several discussions yet to be resolved but none of them would generate a negative outcome in excess of \$50,000 cost in aggregate.

## **11.5 Business risks – BRTV**

All the business risks which currently affect BRTV and an investment in BRTV Shares will continue to affect BRTV, whether or not it becomes a subsidiary of Republic.

### **(a) Entry of other participants**

While there is no dominant company or group in Australia or globally with a product or service offering to match BRTV, there is potential for new entrants into the market who could compete with BRTV for market share or for existing photo only search and review sites to expand their offer and both of these could adversely affect the market share or margins of BRTV.

These entrants will not have the development history or IP contained within BRTV, however, may develop this over time or with the application of significant financial resources.

Management believe that the participation in video of the larger entrenched text and photo search and review players may ultimately allow new strategies to develop to work collaboratively rather than competitively.

### **(b) Reliance on core technologies**

BRTV business operations rely on IT infrastructure and systems. Any interruptions to these operations could impair BRTV's ability to operate the platform and applications, which could have a negative impact on BRTV's performance. BRTV's future performance will also depend on its ability to monitor and manage major projects such as website upgrades and other projects involving its IT infrastructure.

### **(c) Execution risk**

BRTV was incorporated on 30 May 2013 and accordingly has no significant operating history. The prospects of BRTV must be considered in light of the risks and difficulties frequently encountered by companies in their early stage of development.

### **(d) Market shifts**

BRTV derives a significant proportion of its revenue from SMEs. A change in the size and/or structure of this market could impact BRTV's earnings. In particular, consolidation or shrinkage of the market resulting in fewer SMEs may impact upon the prospects of BRTV.

### **(e) Customer take-up**

Whilst the forecast for customer numbers purchasing the BRTV product are based on conservative estimates, discounted on benchmarks established by independent market experts, there is a risk that the participation by customers in the BRTV offering may be insufficient for the commercial viability of BRTV.

In addition, a large portion of BRTV's trailing revenue is generated under annual agreements with SME members. Should a significant number of members cancel or fail to renew their agreements, this may have an adverse effect on the financial performance of BRTV.

(f) **Consumer buy-in**

At this early stage, the rate of growth at which end-users sign up to become members and App users, and to become a part of BRTV's community, is difficult to forecast. Similarly, the rate of attrition is also difficult to predict. The two rates can have an impact on the acceptance and growth of BRTV.

(g) **Internet growth and migration**

Internet penetration in the Australian market has been growing at a steady rate, however, there can be no guarantee that this will continue in the future, which may have an adverse effect on the growth of BRTV.

In addition, growth in online advertising is underpinned by a range of factors including migration from more traditional forms of media. Migration has been driven by a number of factors such as increased internet penetration and broadband speeds. Whilst the migration online has occurred over recent years there can be no guarantee that this will continue in the future, which may have an adverse effect on the growth of BRTV.

BRTV's financial performance or operating margins could also be adversely affected if the popularity of the internet as a medium for viewing and reviewing businesses were to diminish due to the emergence of new technology. BRTV continues to actively monitor the emergence of new technology.

(h) **Growth management**

The success of BRTV will be dependent upon its ability to manage and execute successfully on the BRTV growth strategy. To manage this growth effectively, BRTV will need to maintain efficient control and supervision of its operations and financial systems and to continue to expand, train and manage its employees. There is a risk that BRTV may not be able to execute on some or all of this growth strategy.

Additionally, BRTV's growth profile and business plan include the development of new service offerings and platform and App functionality to grow its community. There is a risk that these new products may be unsuccessful or require high levels of advertising spend, which may have an adverse effect on BRTV's financial performance or operating margins.

(i) **Online security**

As with all e-commerce businesses, BRTV is heavily reliant on the security of its websites and associated payment systems to ensure that customers are confident in transacting online. Breaches of security such as fraudulent and scam advertisements could impact customer satisfaction and confidence in BRTV and could impact the financial performance of BRTV.

(j) **IP threats**

BRTV has invested significantly in the development of its information technology platform and uses certain copyright material and trade marks (either registered, unregistered, owned or under licence) in its business. The laws relating to trade secrets, copyright and trademarks assist to protect BRTV's proprietary rights.

Despite these measures, there can be no guarantee that unauthorised use or copying of BRTV software, data or branding will be prevented. In addition, BRTV cannot be certain that the validity, ownership or authorised use of intellectual property relevant to the business of BRTV will not be successfully challenged by third parties.

(k) **Ability to retain skilled personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of BRTV depends substantially on its senior management and key personnel. There can be no assurance given that there will be no detrimental impact on BRTV if one or more of these key personnel cease their employment or engagement with BRTV.

(l) **Ability to attract skilled personnel**

The successful growth of BRTV will be dependent upon the ability to attract skilled personnel. There can be no assurances given that BRTV will be successful in hiring sufficient key skilled personnel.

(m) **Exchange rate movements**

BRTV performance may be adversely affected by movements in the foreign exchange rates outside of the control of the business.

(n) **Competition**

While there is no dominant company or group in Australia with a product or service offering to match BRTV, there is potential for new entrants into the market who would compete with BRTV for market share and could adversely affect the market share or margins of BRTV through aggressive price competition or other means.

(o) **Funding**

The ability for BRTV to further expand its business may be dependent upon its ability to raise additional funds. There is no guarantee that any equity or debt funding will be available to BRTV (or to the Merged Group) or will be available on acceptable terms.

(p) **Reputation**

The success of BRTV is somewhat dependent upon maintaining a positive reputation in the marketplace. Unforeseen issues or events that may place the reputation of BRTV at risk may impact future earnings and growth prospects.

(q) **Regulatory framework**

The online directory sector is relatively lightly regulated and does not have a licensing regime. Changes to this regulatory framework could impact on the industry generally and have an adverse impact on the financial position or performance of BRTV.

(r) **Financial performance**

The operating results of BRTV are difficult to predict and are subject to a number of factors, some of which are detailed above. There can be no guarantee that BRTV will achieve its stated objectives or that any forward looking statements will eventuate.

## **11.6 Merger specific risks**

(a) **Issue of Republic Shares and Republic Options as Consideration**

If the Takeover Offer is successful Republic will issue a significant number of Republic Shares and Republic Options. Some BRTV Shareholders may not intend to continue to hold their new Republic Shares and may wish to sell them on ASX. There is some risk that if a significant number of BRTV Shareholders seek to sell their new Republic Shares, this may adversely affect the price of Republic Shares. The sale of these Republic Shares could also have a material adverse effect on the Merged Group and the price of Republic Shares.

(b) **Merger integration risks**

Integrating two companies such as Republic and BRTV may produce some risks, including integrating management, information systems and work practices. Republic and BRTV intend to continue current business strategy and operations within the Merged Group whilst leveraging from each other's technical, commercial and operational skills (refer to **section 5**). Greater than expected integration costs could have a material adverse effect on the Merged Group.

(c) **Less than 80% ownership**

The Takeover Offer is subject to the 80% Minimum Acceptance Condition. This Condition may be waived by Republic. Therefore, a risk exists that the final level of ownership acquired by Republic may rest below 80%, which could have an impact on Republic's intentions regarding BRTV (refer to **section 5**). This impact could have a material adverse effect on the Merged Group.

(d) **Taxation risks**

The taxation consequences and risks of the Takeover Offer depend upon the specific circumstances of each BRTV Shareholder. BRTV Shareholders should obtain their own independent professional taxation advice regarding the applicable law in respect of the Takeover Offer.

## **12 Taxation considerations**

### **12.1 Introduction**

The following is a general outline of the main Australian income tax consequences for an Australian resident individual BRTV Shareholder resulting

from acceptance of the Takeover Offer and the acquisition, ownership and disposal of Republic Shares.

The outline is not exhaustive of all income tax considerations which could apply in the circumstances of any given BRTV Shareholder and there are a number of limitations to the outline including that:

- it applies only to Australian resident individual taxpayers. It does not cover the tax treatment for any other classes of taxpayers including individuals who are non-residents of Australia for tax purposes, companies, insurance organisations, superannuation funds, trusts or employees of BRTV or its associated companies who acquired their BRTV Shares in respect of their employment;
- it applies only where BRTV Shareholders hold their shares on capital account. It does not apply where the shares are held on revenue account (eg, shares held by BRTV Shareholders who trade in shares or hold BRTV Shares as trading stock); and
- it is based on current Australian tax law. It does not take into account or anticipate any changes in the law (including changes to legislation, judicial authority or administrative practice).

This outline does not constitute, and should not be construed as, taxation advice. Republic and its Officers and advisers do not accept any liability or responsibility in respect of any statement concerning the taxation consequences of the Takeover Offer or in respect of the taxation consequences themselves.

**All BRTV Shareholders, and particularly those shareholders not specifically addressed by this outline as noted above (eg non-resident shareholders), should consult their own independent professional taxation advisers regarding the Australian and, if applicable, foreign income tax consequences of disposing of BRTV Shares given the particular circumstances which apply to them.**

## **12.2 Acceptance of the Takeover Offer and disposal of BRTV Shares**

### **(a) Capital gain or loss on BRTV Shares**

The disposal of BRTV Shares pursuant to the Takeover Offer by a BRTV Shareholder will constitute a CGT event for Australian income tax purposes.

If roll-over relief is not available, or if a BRTV Shareholder does not choose to obtain the roll-over (refer to **section 12.2(e)** below):

- a capital gain will arise to the extent the capital proceeds received by a BRTV Shareholder from the disposal of BRTV Shares exceed the cost base of the BRTV Shares; or
- a capital loss will be realised to the extent the capital proceeds received by a BRTV Shareholder are less than the reduced cost base of the BRTV Shares.

Any capital gain realised in respect of the disposal of the BRTV Shares will be included in the BRTV Shareholder's assessable income for the tax year in which the Takeover Offer is accepted (unless offset against other capital losses of the BRTV Shareholder). Any capital loss on the disposal of BRTV Shares may be offset against other capital gains realised by the

BRTV Shareholder in the same year or be carried forward to be offset against future capital gains.

(b) **Capital proceeds**

For the purpose of calculating a capital gain or capital loss on the disposal of the BRTV Shares, the capital proceeds will be the market value of Republic Shares and Republic Options on the date the Takeover Offer is accepted by the BRTV Shareholder.

It should be noted that the market value of Republic Shares and Republic Options at the date the Takeover Offer is accepted by the BRTV Shareholder may differ from the value placed on Republic Shares and the Republic Options for the purposes of this Takeover Offer.

(c) **Cost base**

The cost base and reduced cost base of BRTV Shares is generally equal to the amount paid by the BRTV Shareholder for the shares plus certain incidental ownership costs incurred (for example, brokerage fees).

(d) **CGT discount**

Individual BRTV Shareholders may be entitled to apply a 50% discount to any net capital gain realised on the disposal of BRTV Shares (i.e. after any capital losses have been applied to offset the capital gain). This is provided that the BRTV Shares have been held for at least 12 months prior to the date the Takeover Offer is accepted.

(e) **Roll-over relief**

Partial roll-over relief may be available to BRTV Shareholders where:

- BRTV Shareholders exchange their BRTV Shares for Republic Shares and Republic Options under the Takeover Offer;
- as a result of the Takeover Offer, Republic holds 80% or more of the voting shares in BRTV;
- but for any roll-over, a capital gain would arise for the BRTV Shareholders from the exchange (see **section 12.2(a)** above);
- the relevant BRTV Shareholders are Australian residents or otherwise hold their shares as taxable Australian property; and
- the relevant BRTV Shareholder chooses that the roll-over applies.

In addition, where any BRTV Shareholders hold more than 30% of the BRTV Shares, the relevant BRTV Shareholder must jointly choose to apply the roll-over with Republic and it must inform Republic of its cost base in the BRTV Shares worked out just before the Takeover Offer is accepted in order for roll-over to be available.

In these circumstances, a roll-over may be chosen for any capital gain from the disposal of that part of the BRTV Shares for which Republic Share consideration is received. A capital gain arising from the disposal of that part of the BRTV Shares for which Republic Option consideration is received is ineligible for roll-over. The capital gain on the part of the BRTV Shares disposed of for Republic Option consideration may be calculated as follows:



**Step One:**

calculate the cost base attributable to BRTV Shares disposed of for Republic Option consideration using the following formula:

$$\text{Cost Base X} = \frac{\text{Value of Republic Option consideration}}{\text{Value of total consideration (Republic Shares plus Republic Options)}}$$

**Step Two:**

calculate the amount by which the Republic Option consideration value exceeds the cost base amount calculated above at Step One.

To the extent that roll-over relief is available, then any capital gain resulting from the disposal by BRTV Shareholders of that part of the BRTV Shares pursuant to the Takeover Offer may be disregarded so that any capital gains tax implications are effectively deferred until the relevant BRTV Shareholders dispose of the Republic Shares acquired pursuant to the Takeover Offer. The cost base of the Republic Shares will include an amount equal to the cost base of the part of the BRTV Shares for which they were exchanged (see **section 12.5** below).

To choose CGT roll-over relief, a BRTV Shareholder must make a choice before lodging an income tax return for the tax year in which the Takeover Offer is accepted. The manner in which the BRTV Shareholder prepares the income tax return will be evidence of the choice (ie no notice is required to be lodged with the Australian Taxation Office).

It is a Condition of the Takeover Offer that Republic has a Relevant Interest in at least 80% (by number) of all BRTV Shares. Republic reserves the right to waive this Condition, but is not in a position to confirm that the "80% requirement" referred to above will be satisfied for the purposes of determining whether roll-over relief will be available to the BRTV Shareholders.

All BRTV Shareholders, and particularly those not covered by this outline as noted above, should obtain their own independent professional taxation advice as to whether and how a roll-over election should be made.

**12.3 Ownership of Republic Shares**

The tax consequences of BRTV Shareholders owning Republic Shares should be substantially the same as the consequences of owning BRTV Shares.

**12.4 Dividends in relation to Republic Shares**

During the period which BRTV Shareholders hold Republic Shares, they may receive dividends which may be either franked or unfranked (subject to the terms of the Republic Shares in relation to the entitlement to receive dividends). The dividends, grossed up for any imputation (franking) credits, will be included in the BRTV Shareholder's assessable income and they will receive a tax offset (rebate) equal to the imputation credit included in their income. There are rules that limit the availability of imputation credits in certain circumstances (eg. you

are generally required to have held your Republic Shares at risk for at least 45 days). These rules are complex and you should consult your independent professional taxation adviser regarding their operation.

In some circumstances, to the extent that an individual taxpayer has excess imputation credits (ie over and above the taxpayer's tax liability for the relevant tax year), he or she may be entitled to a refund of the excess amount. Again, BRTV Shareholders should consult their own independent professional taxation advisers in this regard.

## 12.5 Disposal of Republic Shares

The income tax consequences of any disposal by a BRTV Shareholder of Republic Shares will generally be the same as for the disposal of BRTV Shares as described in **section 12.2**, subject to the differences outlined below.

### (a) Republic Shares acquired where roll-over election was made

Where a choice to apply partial roll-over relief was made by a BRTV Shareholder in respect of the disposal of BRTV Shares, the first element of cost base or reduced cost base of the Republic Shares issued to the BRTV Shareholder under the Takeover Offer may be calculated as follows:

Cost base or reduced cost base of BRTV Shares	X	<div style="text-align: center;">           Value of Republic Shares  <hr style="width: 80%; margin: 0 auto;"/>           (Value of Republic Shares + Value of Republic Options)         </div>
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The result of the calculation above will be apportioned across the Republic Shares on a reasonable basis. Accordingly, the cost base of the Republic Shares may include indexation to 30 September 1999 if the BRTV Shares were acquired on or before 11.45 a.m. on 21 September 1999, unless the 50% discount is applied in relation to the disposal of the Republic Shares.

Individual BRTV Shareholders may determine whether the Republic Shares have been held for at least 12 months for the purpose of applying the 50% discount in relation to any capital gain as a result of disposing of the Republic Shares (see **section 12.2(a)**) by reference to the date that they acquired the BRTV Shares. Therefore, if the combined period during which the BRTV Shareholder held the BRTV Shares and the Republic Shares is at least 12 months, the BRTV Shareholder may be entitled to apply the 50% discount in respect of the disposal of the Republic Shares.

### (b) Republic Shares acquired where roll-over relief does not apply

Where roll-over does not apply to the disposal of BRTV Shares, the cost base of the Republic Shares which are received in exchange for those BRTV Shares is the cost base of that the BRTV Shareholder has in the BRTV Shares prior to acceptance of the Takeover Offer.

## **12.6 Transfer taxes**

No stamp duty is payable by the transferor of shares (such as BRTV Shares).  
No GST (goods and services tax) applies to the transfer of shares (such as BRTV Shares).

## **13 Additional information**

### **13.1 Date for determining holders of securities**

For the purposes of section 633(2) of the Corporations Act, the date for determining the people to whom this Bidder's Statement is sent is 9 October 2014.

### **13.2 Compulsory acquisition of later-issued BRTV Shares**

If Republic and its associates have Relevant Interests in at least 90% of BRTV Shares during, or at the end of the Offer Period, Republic will (if it and its associates have a Relevant Interest in more than 90% of BRTV Shares at the time) give a notice of compulsory acquisition to all holders of outstanding BRTV Shares, even if the BRTV Shares to which those notices relate are issued:

- (a) after the Takeover Offer closes but before the notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or
- (b) the exercise of BRTV Options up to six weeks after the notices are given (pursuant to section 661A(4)(c) of the Corporations Act).

### **13.3 Interests and benefits relating to the Takeover Bid**

#### **(a) Interests**

Except as set out in this Bidder's Statement, no:

- (i) director or proposed director of Republic;
- (ii) person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or
- (iii) promoter of Republic,

(together **Interested Persons**) holds, or held at any time during the two years before the date of this Bidder's Statement, any interest in:

- (iv) the formation or promotion of Republic;
- (v) property acquired or proposed to be acquired by Republic in connection with:
  - (A) its formation or promotion; or
  - (B) the offer of Republic Shares under the Takeover Offer; or
- (vi) the offer of Republic Shares.

#### **(b) Benefits**

Aside from:

- (i) the fees and retiring allowances paid to Republic directors, particulars of which in respect of the 30 June 2014 financial year are disclosed in Republic's 30 June 2014 Annual Report;

- (ii) the indemnity which each Officer is given by Republic under its constitution against all costs, losses, expenses and liabilities incurred by the Officer in his or her capacity as an Officer of Republic to the extent permitted by law and which do not arise out of any negligence, breach of duty or breach of trust,

no person has paid or agreed to pay any fees, or provided or agreed to provide any benefit, to:

- (iii) a director or proposed director of Republic to induce them to become or to qualify as a director of Republic; or
- (iv) any Interested Person for services provided by that person in connection with:
  - (A) the formation or promotion of Republic; or
  - (B) the offer of Republic Shares under the Takeover Offer.

Corrs Chambers Westgarth has acted as legal adviser to Republic in connection with the Takeover Offer. Republic estimates that it will pay approximately \$100,000 (excluding GST and disbursements) to Corrs Chambers Westgarth for services performed up to the date of this document. Further amounts may be paid to Corrs Chambers Westgarth in accordance with its normal time-based charges.

Gunderson Briggs has acted as accountant to Republic in connection with the Takeover Offer. Republic estimates that it will pay approximately \$10,000 (excluding GST and disbursements) to Gunderson Briggs for services performed up to the date of this document.

LSAF Holdings Pty Ltd will receive 333,333 options over ordinary shares in Republic at 30 cents exercise price for work done in bringing Republic together with BRTV.

### 13.4 Fees and benefits of Directors and Proposed Directors

The proposed annual remuneration (exclusive of superannuation) of the existing Republic directors and the proposed directors that will be a part of the board of the Merged Group for the next financial year ending 30 June 2015 are as follows:

	<b>2015 Financial Year (excluding super)</b>
<b>Existing directors</b>	
Raymond Shorrocks - Chairman	\$120,000
David Hannon – Non-executive Director	\$50,000
<b>Proposed directors</b>	
Sonia Thurston – Executive Director	\$198,000
Richard Evertz – Managing Director	\$216,000
Andrew Corner – Finance Director	\$198,000

Note that directors who hold executive roles within the business do not get board remuneration above their total remuneration described above.

Directors of Republic are also reimbursed for all reasonable expenses incurred in the course of conducting their duties which include, but are not in any way limited to, travelling expenses, disbursements made on behalf of Republic and other expenses incurred whilst engaged in the business of Republic or in the discharge of their duties as directors.

The remuneration of Republic directors is reviewed annually by Republic.

### **13.5 Due diligence**

For the purposes of confirming its assessment whether or not to proceed with the Takeover Offer, Republic was given access by BRTV pursuant to a confidentiality agreement and undertook due diligence from May to September 2014 in relation to certain information concerning BRTV which has not been disclosed generally to BRTV Shareholders. Otherwise than as contained elsewhere in this document none of the information to which it was given access is of such a nature and which, if the information were generally available, a reasonable person would expect to have a material effect on the price or value of BRTV Shares.

The fact, however, that Republic's decision to make the Takeover Offer was confirmed by its review of the information to which it had access may itself be regarded as information material to a decision whether or not to accept an Takeover Offer.

### **13.6 BRTV's due diligence**

BRTV was given access by Republic under confidentiality and undertook limited due diligence in relation to certain information concerning Republic which had not been disclosed to Republic shareholders. The fact that the decision of the directors of BRTV to recommend the Takeover Offer was made after having regard to BRTV's review of the information to which it had access may itself be regarded as information material to a decision whether or not to accept the Takeover Offer.

### **13.7 Public announcements relating to the Takeover Bid**

On 9 October 2014 Republic released an announcement in relation to the Takeover Bid to ASX. Copies of this announcement may be obtained by BRTV Shareholders from the ASX website [www.asx.com.au](http://www.asx.com.au) or without payment by contacting the offer enquiry line on +61 2 9220 9500.

### **13.8 Expiry date**

No Republic Shares will be issued on the basis of the Takeover Offer contained in this Bidder's Statement after the expiry of 13 months after the date of this document.

### **13.9 ASIC modifications and exemptions**

ASIC has published various "Class Order" instruments providing for modifications and exemptions that apply generally to all persons, including Republic, in relation to the operation of Chapter 6 of the Corporations Act. Republic may rely on this "Class Order" relief.

### **13.10 Consent to joint booklet and early dispatch of Bidder's Statement**

The Corporations Act provides that there must be a minimum of 14 days between the date a bidder's statement is sent to the target and the date the bidder's statement is sent to the shareholders of the target, unless the directors of the target agree that it may be sent earlier.

The directors of BRTV have agreed that this document may be sent to BRTV Shareholders on any date following the date on which it is lodged with ASIC and sent to BRTV. The directors of BRTV have also agreed to this document and BRTV's Target's Statement being sent to BRTV Shareholders in a joint booklet.

### **13.11 Other material information**

There is no other information that:

- (a) is material to the making of a decision by a BRTV Shareholder whether or not to accept an Takeover Offer;
- (b) is known to Republic;
- (c) does not relate to the value of Republic Shares; and
- (d) has not previously been disclosed to BRTV Shareholders, other than as disclosed in this document.

### **13.12 Consents**

Each of the following persons have consented to being named in this document in the form and context in which their names appear and have not withdrawn their consent prior to the lodgement of this document with ASIC:

- Gunderson Briggs – to be named as the accounting adviser to Republic;
- Corrs Chambers Westgarth – to be named as the legal adviser to Republic;
- Patersons Securities Limited – to be named as the underwriter to the Prospectus Offer;
- LSAF Holdings Pty Ltd – to be named for its role in bringing Republic and BRTV together; and
- BRTV – to be named in respect of the BRTV Information.

This document also contains statements made by, or statements based on statements made by, Republic, Gunderson Briggs and Corrs Chambers Westgarth. Each of Republic, Gunderson Briggs and Corrs Chambers Westgarth has consented to the inclusion of:

- each statement it has made; and
- each statement which is based on a statement it has made,

in this document in the form and context in which those statements appear and has not withdrawn that consent before lodgement of this document with ASIC.

Each person named in this section as having given its consent to the inclusion of a statement or to being named in this document:

- does not make, or purport to make, any statement in this document or any statement on which a statement in this document is based other

than, in the case of a person referred to above as having given their consent to the inclusion of a statement, a statement included in this document with the consent of that person;

- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this document, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement or report which has been included in this document with the consent of that party;
- has not caused or authorised the issue of this document.

This document also includes or is accompanied by statements which are made in or based on statements made in documents lodged with ASIC or on the company announcement platform of ASX. Under the terms of ASIC Class Order 13/521, the parties making those statements are not required to consent to, and have not consented to, the inclusion of those statements in this document. If you would like to receive a copy of any of these reports or statements free of charge, please contact Republic on +61 2 9220 9500.

As permitted by ASIC Class Order 13/523, this document may include or be accompanied by certain statements fairly representing a statement by an official person or from a public official document or a published book, journal or comparable publication. In addition, as permitted by ASIC Class Order 07/429, this document contains ASX share price trading information sourced from ASX without its consent.

## 14 Takeover Offer terms

### 14.1 The Takeover Offer

- (a) Republic offers to acquire all of Your BRTV Shares on the terms and subject to the Conditions of this Takeover Offer.
- (b) The Consideration offered, for every 100 BRTV Shares you own, is 23.582 Republic Shares, together with one Republic Option for every ten Republic Shares issued under the Takeover Offer (on a post Consolidation basis).
- (c) You may only accept this Takeover Offer in respect of all of Your BRTV Shares. If you hold one or more parcels as trustee or nominee for, or otherwise on account of, another person, certain exceptions to this requirement may apply (see **section 14.5(c)**).
- (d) The Republic Shares issued to you under this Takeover Offer will be issued fully paid and will rank equally for dividends and other rights in all respects with existing Republic Shares from the date of issue.

### 14.2 Takeover Offer Period

- (a) Unless this Takeover Offer is extended or withdrawn in accordance with the Corporations Act, this Takeover Offer will remain open during the period commencing on 10 October 2014 and ending at 7:00 pm (Sydney time) on 28 November 2014.
- (b) Republic expressly reserves its rights under section 650C of the Corporations Act to extend the period during which this Takeover Offer

remains open for acceptance or otherwise to vary this Takeover Offer in accordance with the Corporations Act.

### 14.3 Offerees

The Takeover Offer relates to BRTV Shares that exist or will exist as at the Relevant Date and extends to all BRTV Shares which are issued from the Relevant Date to the end of the Offer Period.

### 14.4 Fractional entitlements

If the number of BRTV Shares you hold is such that your entitlement to Republic Shares or Republic Options under this Takeover Offer is not a whole number, your entitlement to Republic Shares or Republic Options will be rounded down to the nearest whole number. If Republic reasonably believes that a BRTV Shareholder's holdings have been manipulated to take advantage of rounding up, then any fractional entitlement will be aggregated or rounded down to the next whole number of Republic Shares.

### 14.5 Who may accept the Takeover Offer

- (a) This Takeover Offer is made to you as the holder of Your BRTV Shares at the Relevant Date.
- (b) If at the time this Takeover Offer is made to you, or at any time during the Offer Period and before you accept this Takeover Offer another person is, or is entitled to be, registered as the holder of some or all of Your BRTV Shares (**Transferred Shares**):
  - (i) this Takeover Offer is deemed to have been withdrawn;
  - (ii) a corresponding Takeover Offer is taken to have been made to that other person in respect of the Transferred Shares; and
  - (iii) a corresponding Takeover Offer is taken to have been made to you in respect of Your BRTV Shares other than the Transferred Shares.
- (c) If at any time during the Offer Period and before you accept this Takeover Offer, you hold one or more parcels of Your BRTV Shares as trustee or nominee for, or otherwise on account of, another person within the meaning of section 653B of the Corporations Act, then in accordance with section 653B of the Corporations Act:
  - (i) this Takeover Offer will be deemed at that time to consist of separate corresponding Takeover Offers made to you in relation to the respective distinct parcels of Your BRTV Shares including any parcel that you hold in your own right;
  - (ii) an acceptance by you of any of those separate corresponding Takeover Offers is ineffective unless you have given to Republic notice which:
    - (A) indicates that Your BRTV Shares consist of distinct parcels; and
    - (B) is in writing; and
  - (iii) you may at the one time accept two or more such corresponding Takeover Offers as if they were a single Takeover Offer in relation to a distinct parcel of BRTV Shares.



Where you require additional copies of this document and Acceptance Form, please contact the offer enquiry line on +61 2 9220 9500 to request such additional copies.

#### **14.6 How to accept the Takeover Offer**

You may accept this Takeover Offer at any time during the Offer Period, in the manner provided in this **section 14.6**.

- (a) To accept this Takeover Offer you must complete and sign the accompanying Acceptance Form in accordance with the instructions on it and return it, together with any other documents required by those instructions, to:

**(By mail or by delivery in person)**

Republic Gold Limited  
Level 7, Suite 5, 3 Spring Street  
Sydney NSW 2000

so that it is received by Republic before the end of the Offer Period. A reply paid envelope is enclosed for your convenience (not able to be used by overseas BRTV Shareholders).

- (b) Acceptance will be deemed to have been effected when, subject to this **section 14**, the duly completed Acceptance Form has been received at one of the above addresses.
- (c) If your Acceptance Form is returned by mail, it will be deemed to be received in time if the envelope in which it is sent is post-marked before the expiry of the Offer Period (even if it is received after that date).

#### **14.7 Acceptance Forms**

- (a) The Acceptance Form which accompanies this document forms part of it. The requirements on the Acceptance Form must be observed in accepting this Takeover Offer in respect of Your BRTV Shares.
- (b) You must comply with the directions on the Acceptance Form in order to lodge an effective acceptance of this Takeover Offer.
- (c) Republic may deem any duly completed faxed copy of an Acceptance Form received by it before the end of the Offer Period to be a valid acceptance. Republic may deem any Acceptance Form received by it before the end of the Offer Period to be a valid acceptance notwithstanding that any of the requirements for acceptance have not been complied with.
- (d) Subject to **sections 14.7** and **14.9**, your acceptance of the Takeover Offer will not be valid unless it is made in accordance with the procedures set out in **section 14.6**.
- (e) Republic will determine, in its sole discretion, all questions as to the form of documents and eligibility to accept the Takeover Offer and time of receipt of an acceptance of the Takeover Offer. Republic is not required to communicate with you prior to making this determination. The determination of Republic on these matters will be final and binding on all parties.

- (f) No payment of Consideration need be made until the required documents have been received and any outstanding requirements have been satisfied.

#### **14.8 Power of attorney or deceased estate**

When accepting this Takeover Offer, you should also forward for inspection:

- (a) if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and
- (b) if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased BRTV Shareholder, the relevant Grant of Probate or Letters of Administration.

#### **14.9 Effect of acceptance**

By initiating acceptance of this Takeover Offer by signing and returning an Accepting Form, you will have:

- (a) accepted this Takeover Offer (and each variation of this Takeover Offer) irrevocably in accordance with its terms and conditions in respect of all Your BRTV Shares to which this Takeover Offer relates and which are designated as accepted in the Acceptance Form (**Accepted Shares**);
- (b) agreed to transfer Your BRTV Shares to Republic, subject to the Takeover Offer being declared free from the Conditions or the Conditions being satisfied or waived;
- (c) irrevocably authorised Republic (by any of its Officers and agents, jointly and severally) to complete on your behalf on the Acceptance Form (if applicable) correct details of Your BRTV Shares, fill in any blanks remaining on the Acceptance Form and rectify any error in or omission from the Acceptance Form as may be necessary to make it a valid acceptance of this Takeover Offer or to enable registration of the transfer of Your BRTV Shares to Republic;
- (d) represented and warranted to Republic that all of Your BRTV Shares will, both at the time of your acceptance of this Takeover Offer and at the time of registration of the transfer of Your BRTV Shares to Republic, be fully paid up and free from Encumbrances, that you have full power and authority to sell Your BRTV Shares and that, upon transfer, Republic will be the owner of Your BRTV Shares;
- (e) represented and warranted to and agreed with Republic that Your BRTV Shares will be acquired by Republic with all Rights and that you will execute all instruments as Republic may require for the purpose of vesting in it such Rights;
- (f) irrevocably authorised and directed BRTV to pay to Republic or to account to Republic for all Rights, subject to any Rights received by Republic being accounted for by Republic to you if the Takeover Offer is withdrawn or the contract formed by your acceptance of this Takeover Offer is rendered void;
- (g) except where Rights have been paid or accounted for under **section 14.9(f)**, irrevocably authorised Republic to reduce the number of Republic Shares to be issued to you pursuant to **section 14.1(b)** by the amount (or value as reasonably assessed by Republic) of all Rights;

- (h) represented and warranted to Republic that, unless you have provided notice in accordance with **section 14.5(c)(ii)**, Your BRTV Shares do not consist of distinct parcels of BRTV Shares;
- (i) represented and warranted to Republic that you are not and are not acting on behalf of an Ineligible Foreign Shareholder, unless otherwise indicated on the Acceptance Form;
- (j) acknowledged and agreed that if you are unable to make the representation in **section 14.9(i)**, a nominee approved by ASIC will sell the Republic Shares which would otherwise be issued to you, as described in **section 14.11**;
- (k) acknowledged and agreed that, except as permitted by and in accordance with the applicable law (including in accordance with an exemption from the registration requirements of the *Securities Act 1933* of the United States of America), you will not offer or resell in, or to persons in, the United States of America any Republic Shares which you acquired at any time, although that does not prohibit any sale on ASX if neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been prearranged with, or that purchaser is, a person in the United States of America;
- (l) agreed to become a member of Republic, to be bound by Republic's constitution and to subscribe for the Republic Shares to be issued to you as Consideration for the acquisition of Your BRTV Shares;
- (m) authorised Republic to issue to you the Republic Shares you are entitled to receive under this Takeover Offer and place in its register of members your name and other details required by the Corporations Act in respect of the Republic Shares to be issued to you;
- (n) irrevocably appointed Republic and its Officers and agents from time to time, jointly and severally, from the time that this Takeover Offer or any contract resulting from acceptance of this Takeover Offer is or becomes Unconditional, as your attorney in your name and on your behalf:
  - (i) to attend and exercise any voting rights attaching to Your BRTV Shares (including demanding a poll for any vote) at any and all general meetings of BRTV held from the time that this Takeover Offer or any contract resulting from your acceptance of this Takeover Offer is or becomes Unconditional until Republic is registered as the holder of Your BRTV Shares;
  - (ii) to execute and deliver all forms, transfers, assignments, notices and instruments relating to Your BRTV Shares (including instruments appointing a director of Republic as a proxy in respect of Your BRTV Shares and any application to BRTV for a replacement certificate in respect of any certificate which has been lost or destroyed);
  - (iii) generally to exercise all your powers and Rights in relation to Your BRTV Shares including the power to requisition or join in requisitioning general meetings of BRTV in accordance with the constitution of BRTV or sections 249D, 249E or 249F of the Corporations Act and to consent to short notice of any general meetings of BRTV; and

- (iv) to request BRTV to register in the name of Republic (or its nominee) Your BRTV Shares which you hold on any register of BRTV, and agreed that, in exercising the powers conferred by this power of attorney, Republic or an Officer or agent of Republic (as the case may be) will be entitled to act in the interests of Republic as the beneficial owner and intended registered holder of Your BRTV Shares;
- (o) irrevocably authorised Republic, from the time this Takeover Offer or any contract resulting from acceptance of this Takeover Offer is or becomes Unconditional or all Conditions have been satisfied, to:
  - (i) notify BRTV on your behalf that your address for the purpose of serving notices upon you in respect of Your BRTV Shares is the address of Republic and that all such notices are to be marked care of Republic; and
  - (ii) direct BRTV to serve all notices and to send all correspondence, payments of dividends and other distributions, rights and entitlements, notifications of entitlements and other communications and documents of any kind in respect of Your BRTV Shares to Republic at its address;
- (p) with effect from the date that this Takeover Offer or any contract resulting from acceptance of this Takeover Offer is declared free from all its Conditions or such Conditions are satisfied or waived, irrevocably authorised Republic (or its agents or nominees) to do all things necessary to transfer Your BRTV Shares into the name of Republic, regardless of whether Republic has paid the Consideration due to you under this Takeover Offer.

#### **14.10 Dividends and other entitlements**

- (a) Republic will be entitled to all Rights declared, paid, made or which may arise or accrue on or after the date of this Bidder's Statement in respect of BRTV Shares which it acquires as a result of this Takeover Offer.
- (b) If any Rights (including non-cash Rights) arise, accrue or are declared, issued, paid or made in cash to you as the holder of Your BRTV Shares, Republic will (provided such Rights have not been paid or transferred to Republic) be entitled to reduce the Consideration specified in **section 14.1(b)** of this Takeover Offer by the amount equal to the value of the Rights, as reasonably assessed by Republic, of such Rights. This may include reducing the number of Republic Shares to which you may otherwise be entitled.
- (c) If Republic becomes entitled to any Rights as a result of your acceptance of this Takeover Offer, it may require you to give to Republic all documents necessary to vest title in those Rights in Republic. If you do not give these documents to Republic, or if you have received the benefit of those Rights, you must pay the amount (or value as reasonably assessed by Republic) of such Rights to Republic.

## 14.11 Unmarketable Parcel Shareholders

### (a) Unmarketable parcels

If you accept this Takeover Offer and the Republic Shares which would be issued to you as a consequence of acceptance of this Takeover Offer would not constitute a marketable parcel within the meaning of the ASX Settlement Operating Rules, you will be an **Unmarketable Parcel Shareholder**. If you are an Unmarketable Parcel Shareholder and you accept this Takeover Offer, Republic will arrange for a nominee sale in accordance with **sections 14.11(b) and 14.11(c)**.

### (b) Nominee sale

If you are an Unmarketable Parcel Shareholder and you accept this Takeover Offer, Republic will arrange for a nominee sale in accordance with this **section 14.11**.

### (c) Proceeds of nominee sale

If you are subject to the restrictions in **section 14.11(a) or 14.11(a)**, Republic will:

- (i) appoint a nominee approved by ASIC (**Nominee**);
- (ii) procure the issue to the Nominee of all Republic Shares to which you and all other Unmarketable Parcel Shareholders would have been entitled but for this **section 14.11 (Nominee Shares)**;
- (iii) cause the Nominee to offer the Nominee Shares for sale in such manner, at such price and on such other terms and conditions as are determined by the Nominee;
- (iv) cause the Nominee to pay to you the amount ascertained in accordance with the formula:

$$\text{Net Proceeds of Sale} \times \frac{\text{NBS}}{\text{TBS}}$$

where:

**Net Proceeds of Sale** is the amount (if any) remaining after deducting from the proceeds of sale of all Nominee Shares the expenses of the sale including tax, brokerage and stamp duty, if any;

**NBS** is the number of Republic Shares which would have been issued to you as a result of your acceptance of this Takeover Offer but for this **section 14.11**; and

**TBS** is the total number of Nominee Shares issued to the Nominee under this **section 14.11**.

Payment will be made in Australian dollars.

Payment will be made by cheque posted to you at your risk by pre-paid ordinary mail (or, if you have an overseas address, by pre-paid airmail) to the address provided on your Acceptance Form. Under no circumstances will interest be paid on your share of the proceeds of the sale, regardless of any delay in remitting these proceeds to you.

(d) **Authorities and clearances**

Residents of certain places are not entitled to receive the Net Proceeds of Sale unless and until all requisite authorities or clearances have been obtained from the Reserve Bank of Australia and/or the Australian Taxation Office. Refer to **section 14.12(e)** for further information.

## **14.12 Obligations of Republic**

(a) **Payment of Consideration**

If you accept this Takeover Offer and your acceptance complies with **section 14.6** or Republic determines to treat your acceptance as valid, Republic will, subject to **sections 14.12(b)** and **(e)**, cause to be issued to you the Republic Shares and Republic Options to which you are entitled on acceptance of this Takeover Offer on or before the earlier of:

- (i) 21 days after the end of the Offer Period;
- (ii) one month after the first day on which both of the following apply:
  - (A) this Takeover Offer has been validly accepted by you; and
  - (B) the contract resulting from your acceptance of this Takeover Offer has become Unconditional.

(b) **Where additional documents are required**

Where the Acceptance Form requires an additional document to be given with your acceptance (such as a power of attorney):

- (i) if that document is sent or delivered with your Acceptance Form, Republic will provide the Consideration to which you are entitled in accordance with **section 14.12(a)**;
- (ii) if that document is given after you send or deliver the Acceptance Form and before the end of the Offer Period while the Takeover Offer is subject to a defeating Condition, Republic will provide the Consideration to which you are entitled by the end of whichever of the following periods end earlier:
  - (A) 21 days after the end of the Offer Period; or
  - (B) one month after the contract resulting from acceptance of this Takeover Offer becomes Unconditional;
- (iii) if that document is given after you send or deliver your Acceptance Form and before the end of the Offer Period while the Takeover Offer is not subject to a defeating Condition, Republic will provide the Consideration to which you are entitled by the end of whichever of the following periods end earlier:
  - (A) 21 days after the end of the Offer Period; or
  - (B) one month after that document is given;
- (iv) subject to **section 14.12(b)(v)**, if that document is given after acceptance and after the end of the Offer Period, Republic will provide the Consideration to which you are entitled within 21 days after that document is given, but if at the time the document is given the Takeover Offer is still subject to the Condition in

**section 14.13(b)**, within 21 days after the Takeover Offer becomes Unconditional; and

- (v) if that document is not provided to Republic within one month after the end of the Offer Period, Republic may, in its sole discretion, rescind the contract resulting from your acceptance of the Takeover Offer.

(c) **Holding statements**

- (i) All Republic Shares issued under the Takeover Offer will be issued in uncertificated form and registered on the issuer sponsored sub-register of members of Republic.
- (ii) Subject to the Corporations Act, Republic must send or cause to be sent a holding statement for the Republic Shares due to you at your risk by pre-paid ordinary mail (or in the case of an address outside Australia by airmail), to the address shown in the Acceptance Form.

(d) **Return of Acceptance Forms**

If this Takeover Offer does not become Unconditional or any contract arising from this Takeover Offer is rescinded by Republic on the grounds of a breach of a condition of that contract, Republic must return by post to you, at the address shown on the Acceptance Form, any Acceptance Form and any other documents sent with it by you. Republic must also notify ASX Settlement of the lapse of the Takeover Offer in accordance with the ASX Settlement Operating Rules.

(e) **Clearances for certain shareholders**

If, at the time of acceptance of this Takeover Offer, any authority or clearance of the Reserve Bank of Australia or of the Australian Taxation Office is required for you to receive any Consideration under this Takeover Offer or you are resident in or a resident of a place to which, or you are a person to whom:

- (i) the *Banking (Foreign Exchange) Regulations 1959* (Cth);
- (ii) Part 4 of the *Charter of the United Nations Act 1945* (Cth);
- (iii) the *Charter of the United Nations (Dealing with Assets) Regulations 2008* (Cth);
- (iv) any other regulations made under Part 4 of the *Charter of the United Nations Act 1945* (Cth); or
- (v) any other law of Australia that would make it unlawful for Republic to provide Consideration for Your BRTV Shares,

applies, then acceptance of this Takeover Offer will not create or transfer to you any right (contractual or contingent) to receive the Consideration specified in this Takeover Offer unless and until all requisite authorities or clearances have been obtained by Republic.

If Republic is required by law to retain or withhold (and pay to a Public Authority) any amount of the Consideration payable to you under this Takeover Offer, the retention or payment by Republic of that amount in conjunction with payment of the remaining Consideration payable to you in

accordance with this **section 14.12** will constitute full and proper payment of the Consideration payable to you under this Takeover Offer.

### 14.13 Conditions

This Takeover Offer and any contract arising from acceptance of this Takeover Offer are subject to the fulfilment of the following Conditions:

- (a) **(Essential Republic Shareholder Resolutions)** Republic Shareholders approve the Essential Republic Shareholder Resolutions, in accordance with the Corporations Act and the ASX Listing Rules, before the end of the Offer Period;
- (b) **(no Prescribed Occurrences)** between the Announcement Date and the end of the Offer Period, no Prescribed Occurrence occurs;
- (c) **(Minimum Acceptance Condition)** during, or at the end of, the Offer Period, Republic and its associates have a Relevant Interest in at least 80% (by number) of BRTV Shares;
- (d) **(Prospectus Offer)** the Prospectus Offer closes and, as at the close of the Prospectus Offer, Republic receives or becomes entitled to receive, in immediately available funds, gross proceeds of no less than \$1 million as a result of subscriptions made under the Prospectus Offer;

#### Regulatory approval Conditions

- (e) **(other regulatory approvals)** before the end of the Offer Period, all Approvals required by law or by any Public Authority:
  - (i) as are necessary to permit the Takeover Offer to be lawfully made to and accepted by BRTV Shareholders;
  - (ii) which are required as a result of the Takeover Offer or the acquisition of BRTV Shares and which are necessary for the continued operation of the BRTV business; or
  - (iii) as are necessary to permit the completion of any transaction contemplated by the Bidder's Statement (including implementation of the intentions expressed in **section 3.16**),

are granted, given, made or obtained on an unconditional basis and remain in full force and effect in all respects and do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same;

- (f) **(absence of regulatory actions)** between the Announcement Date and the end of the Offer Period:
  - (i) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
  - (ii) no inquiry, action or investigation is instituted or threatened by any Public Authority; and
  - (iii) no application is made to any Public Authority (other than by Republic or its associates),

which restrains, prohibits, threatens to restrain or prohibit or otherwise materially adversely impacts (or could reasonably be expected to restrain, prohibit or otherwise materially adversely impact upon) the making of the



Takeover Offer or the completion of any transaction contemplated by the Bidder's Statement (including implementation of the intentions expressed in **section 5**) or seeks to require (or could reasonably be expected to require) the divesture by Republic of any BRTV Shares, or the divestiture of any assets of BRTV or of Republic;

**Recompliance Condition**

- (g) **(Recompliance)** Republic receives written confirmation from ASX that ASX will readmit Republic to the official list of the ASX and terminate the suspension from official quotation of the Republic Shares, subject to the satisfaction of such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules;

**ASX escrow condition**

- (h) **(escrow agreements)** each BRTV Shareholder that is required by the ASX to enter into an escrow agreement (on the terms required by the ASX, including the duration of the escrow) entering into that escrow agreement with Republic in relation to the Republic Shares and Republic Options as the case may be issued to that BRTV Shareholder that ASX requires be escrowed;

**Adverse change conditions**

- (i) **(no material adverse effect)** during the period from and including the Announcement Date to the end of the Offer Period:
  - (i) there is no occurrence or matter, including:
    - (A) any change in the status or terms of arrangements entered into with BRTV or any of its subsidiaries or the status or terms of any Approvals which are applicable to BRTV or any of its subsidiaries (whether or not wholly or partly attributable to the making of the Takeover Offer, and/or the acquisition of BRTV Shares under the Takeover Offers);
    - (B) any liability for duty or tax;
    - (C) any liability resulting from a change of control of BRTV; or
    - (D) any change in the law (whether retrospective or not),that (individually or together with others) has or could reasonably be expected to have a materially adverse effect on the assets, liabilities (whether actual or contingent), financial or trading position, profitability (before or after tax), production or prospects of BRTV; and
  - (ii) no occurrence or matter, as described in **section 14.13(b)**, which occurred before the Announcement Date but was not apparent from publicly available information before then, becomes public;
- (j) **(no major acquisitions, disposals or commitments)** between the Announcement Date and the end of the Offer Period, neither BRTV nor any of its subsidiaries:
  - (i) purchases or otherwise acquires or agrees to purchase or otherwise acquire, sells or otherwise disposes of or surrenders, or agrees to sell or otherwise dispose of or surrender, or comes under an

obligation to purchase, acquire, sell or otherwise dispose of or surrender, any property or assets (or any right, title or interest therein), the total consideration for which, or value of which, in aggregate, exceeds \$0.1 million; or

- (ii) enters any other commitment, or comes under an obligation to enter any other commitment, which would require expenditure by BRTV or a subsidiary of BRTV of an amount which, in aggregate, exceeds \$0.1 million;
- (k) **(rights under agreements and instruments)** between the Announcement Date and the end of the Offer Period, no person exercises or purports to exercise, or states an intention to exercise, any rights under any provision of any agreement or other instrument to which BRTV or any subsidiary of BRTV is a party, or by or to which BRTV or any subsidiary of BRTV or any of its assets may be bound or be subject, which results, or could result, to an extent which is material to BRTV (being any agreement or instrument with a value of at least \$0.1 million or with a term of longer than two years), in:
  - (i) any monies borrowed by BRTV or any subsidiary of BRTV being or becoming repayable or being capable of being declared repayable immediately or earlier than the repayment date stated in such agreement or instrument;
  - (ii) any such agreement or other instrument being terminated or modified or any action being taken or arising thereunder;
  - (iii) the interest of BRTV or any subsidiary of BRTV in any firm, joint venture, trust, corporation or other entity (or any arrangements relating to such interest) being terminated, modified or required to be transferred or redeemed; or
  - (iv) the business of BRTV or any subsidiary of BRTV with any other person being adversely affected,as a result (directly or indirectly) of the acquisition or proposed acquisition of BRTV Shares by Republic;
- (l) **(dividends)** between the Announcement Date and the end of the Offer Period, BRTV does not declare or pay any dividend, bonus or other distributions by BRTV to BRTV Shareholders;
- (m) **(no adverse tax ruling)** no event occurs which may give rise to, or have the consequence of, a Public Authority issuing an assessment or notice of any kind for government charges, taxes, excises, or any other regulatory duties or charges of more than \$0.1 million in aggregate in respect of any period prior to the date of this document, which charges, taxes, excises, or duties were not provided for in full in the annual report of BRTV for the year ended 30 June 2014;
- (n) **(no disclosure)** at all times during the period from the Announcement Date to the end of the Offer Period, BRTV or any subsidiary of BRTV or any of their respective Officers, advisers or agents does not provide to any person any information that is not generally available (within the meaning of the Corporations Act) relating to BRTV or any subsidiary of BRTV or any of their respective businesses or operations for the purpose of soliciting,

encouraging or facilitating a proposal or offer by that person, or by any other person, in relation to a transaction under which:

- (i) any person (together with its associates) may acquire voting power of 10% or more in BRTV or any subsidiary of BRTV (whether by way of takeover bid, compromise or arrangement under Part 5.1 of the Corporations Act, or otherwise);
- (ii) any person may acquire, directly or indirectly (including by way of joint venture, dual listed company structure or otherwise), any interest in all or a substantial part of the business or assets of BRTV or of any subsidiary of BRTV; or
- (iii) that person may otherwise acquire control of or merge or amalgamate with BRTV or any subsidiary of BRTV;

#### **Other conditions**

- (o) **(force majeure)** after the Announcement Date and before the end of the Offer Period, no act of war (whether declared or not) or terrorism, mobilisation of armed forces, civil commotion or labour disturbance, fire or natural disaster, or other event beyond the control of BRTV or a relevant subsidiary occurs which has or is likely to have a materially adverse effect on the assets, liabilities, financial position, performance, profitability or prospects of BRTV and its subsidiaries taken as a whole;
- (p) **(no competing bid)** before the end of the Offer Period:
  - (i) no off-market takeover bid or on-market takeover bid is made to acquire the BRTV Shares or any of the shares in a subsidiary of BRTV;
  - (ii) no person announces any transaction to acquire or become the holder (by whatever means) of, or otherwise have an economic interest in all or a substantial part of the business of BRTV or 50% or more of the BRTV Shares or a transaction to otherwise acquire or merge with BRTV (whether by way of joint venture, dual listed structure or otherwise); and
  - (iii) no person announces any intention to do any of the things set out in **paragraphs (i) or (ii)**;
- (q) **(recommended Competing Bid)** between the Announcement Date and the end of the Offer Period, the directors of BRTV (or a majority of them) do not recommend or approve (or announce their intention to recommend or approve) any Competing Bid (whether or not subject to any conditions or qualifications);
- (r) **(other matters)** between the Announcement Date and the end of the Offer Period, BRTV does not, without the written consent of Republic:
  - (i) make any change to its constitution;
  - (ii) release, discharge or modify any obligation owed to it of a value exceeding \$0.1 million or agree to do so;
  - (iii) enter or agree to enter into any contract of service or vary or agree to vary any existing contract of service with any director or manager, or pay or agree to pay any retirement benefit or allowance to any director, manager, or make or agree to make any substantial change

in the basis or amount of remuneration of any director or manager (other than in each case as required by law or provided under any superannuation or retirement scheme as in effect on the Announcement Date) to the extent that any of these matters (or any combination of these matters) would give rise to a liability of BRTV of an amount exceeding \$0.1 million;

- (iv) have commenced against it any material claims or proceedings in any court or tribunal; or
- (v) become subject to investigation under the *Australian Securities and Investments Commission Act 2001* (Cth) or any corresponding legislation (other than in connection with the Takeover Offers), which has it or likely to have a material adverse effect on the Takeover Offers.

#### **14.14 Operation of Conditions**

- (a) Each of the Conditions set out in each subsection, paragraph and subparagraph of **section 14.13**:
  - (i) constitutes and is to be construed as a separate, several and distinct Condition; and
  - (ii) until the expiration of the Offer Period (or in the case of the Condition referred to in **section 14.13(b)** until three Business Days after the end of the Offer Period) will be for the benefit of Republic alone and may be relied upon only by Republic.
- (b) Subject to the Corporations Act, each of the Conditions contained in each subsection, paragraph and subparagraph of **section 14.13** is a condition subsequent and will not prevent a contract to sell Your BRTV Shares arising from acceptance of this Takeover Offer, but any breach or non-fulfilment of such a Condition will entitle Republic, by written notice, to rescind the contract resulting from acceptance of this Takeover Offer.

#### **14.15 Freeing the Takeover Offer from Conditions**

Subject to and in accordance with the Corporations Act, Republic may declare the Takeover Offer free from any or all of the Conditions contained in **section 14.13** by giving notice in writing to BRTV. Any declaration made under this **section 14.15** may be made by Republic in its sole discretion but in compliance with the Corporations Act:

- (a) in the case of the Condition in **section 14.13(b)**, at any time up until three Business Days after the end of the Offer Period; or
- (b) in any other case, no later than seven days before the end of the Offer Period.

#### **14.16 Notice on status of Conditions**

Republic will give notice of the status of the Conditions in **section 14.13** in accordance with section 630(1) of the Corporations Act on 19 November 2014, subject to extension in accordance with section 630(2) of the Corporations Act if the period during which this Takeover Offer remains open for acceptance is extended under section 650C of the Corporations Act.

#### **14.17 Breach or non-fulfilment of Conditions**

The breach or non-fulfilment of any of the Conditions contained in **section 14.13** does not, until the end of the Offer Period, prevent a contract resulting from your acceptance of this Takeover Offer. If at the end of the Offer Period (or, in the case of the Condition in **section 14.13(b)**, at the end of three Business Days after the end of the Offer Period), in respect of any of the Conditions contained in **section 14.13**:

- (a) Republic has not declared this Takeover Offer and all other Takeover Offers made by Republic to be free from that Condition; and
- (b) that Condition has not been fulfilled,

all contracts resulting from the acceptance of Takeover Offers and all Takeover Offers that have been accepted and from which binding contracts have not yet resulted, are void. In that event, Republic will, if you have accepted this Takeover Offer:

- (c) return your Acceptance Form together with all documents forwarded by you (if any) to your address as shown in the Acceptance Form; and
- (d) notify ASX Settlement of the lapse of the Takeover Offers in accordance with Rule 14.19 of the ASX Settlement Operating Rules.

#### **14.18 Reasonable endeavours in relation to Conditions**

Republic and its subsidiaries will each:

- (a) use reasonable endeavours to procure that each of the Conditions in **section 14.13** is satisfied; and
- (b) not do or omit to do anything which may cause a breach of any such Condition.

#### **14.19 Minimum Acceptance Condition**

In determining whether the 80% condition in **section 14.13(c)** is met, any Relevant Interest that Republic has merely because of the operation of section 608(3) of the Corporations Act (Relevant Interests from holding a 20% or greater voting power in any body corporate) will be disregarded.

#### **14.20 Statutory condition**

The Takeover Offer and any contract that results from your acceptance of it are subject to the further condition that:

- (a) an application is made to ASX within seven days of the start of the Offer Period for admission to official quotation by ASX of the Republic Shares and Republic Options (if applicable) to be issued under the Takeover Offer; and
- (b) permission for admission to official quotation by ASX of the Republic Shares and Republic Options (if applicable) to be issued under the Takeover Offers which are accepted, is granted no later than seven days after the end of the Offer Period.

This condition is not a defeating condition for the purposes of the Corporations Act and is not of the same nature as the Conditions set out in **section 14.13**. The Takeover Offer cannot be freed of this condition and subsequently no statements made by Republic can be taken to waive that condition. If this

condition is not fulfilled, all contracts resulting from the acceptance of the Takeover Offer will be void automatically.

#### **14.21 Withdrawal of Takeover Offers**

Republic may withdraw unaccepted Takeover Offers at any time with the consent of ASIC. ASIC may consent subject to conditions.

#### **14.22 Variation**

Republic may at any time, and from time to time, vary this Takeover Offer in accordance with the Corporations Act.

#### **14.23 Costs**

All costs and expenses of the preparation and circulation of the Republic's Statement and the Takeover Offers will be paid by Republic. No stamp duty is payable by the transferor of listed shares (such as BRTV Shares – see **section 12.6**). No brokerage is payable by you if you accept this Takeover Offer.

#### **14.24 Notices**

Any notice to be given by Republic to you in connection with the Takeover Offers may be given to you by leaving it at or sending it by pre-paid ordinary mail, or in the case of any address outside Australia, by pre-paid airmail to you at your address as recorded in the register of members of BRTV on the Relevant Date or the address shown in the Acceptance Form.

### **15 Authorisation**

This document has been approved by a unanimous resolution passed by the directors of Republic on 8 October 2014.

### **16 Interpretation**

#### **16.1 Definitions**

Terms used in this document have the meaning given in the Glossary (unless the contrary intention appears).

#### **16.2 Construction**

In this document, unless the context requires otherwise:

- (a) words importing the singular include the plural and vice versa and any gender include the other gender;
- (b) "includes" means includes without limitation;
- (c) if a word or phrase is defined in the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules, it bears the same meaning;
- (d) if a word or phrase is defined, other parts of speech and grammatical forms of that word or phrase have corresponding definitions;
- (e) all prices referred to in the Takeover Offer are inclusive of GST where applicable;
- (f) a reference to:

- (i) a person includes a firm, unincorporated association, corporation and a government or statutory body or authority;
- (ii) a person includes the legal personal representatives, successors and assigns of that person;
- (iii) a statute, ordinance, code or other law includes regulations and other statutory instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (iv) a right includes a benefit, remedy, direction or power;
- (v) a right or obligation of any two or more persons confers that right, or imposes that obligation, as the case may be, jointly and individually,
- (vi) time is to Sydney time;
- (vii) "\$" or "cents" is a reference to the lawful currency of Australia;
- (viii) a section, subsection, paragraph, subparagraph or annexure is to a section, subsection, paragraph, subparagraph or annexure of this document; and
- (ix) "you" is to a person to whom the Takeover Offer is made under **section 14**.

### 16.3 Headings

Headings are for ease of reference only and do not affect the interpretation of this document.

### 16.4 Governing law

The Takeover Offer and any contract that results from it are governed by the laws in force in New South Wales, Australia and on acceptance of the Takeover Offer, you irrevocably and unconditionally submit to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales and any courts which have jurisdiction to hear appeals from any of those courts and waive any right to object to any proceedings being brought in those courts.

## 17 Glossary

The following defined terms are used throughout this Bidder's Statement, unless the contrary intention appears or the context requires otherwise:

<b>"\$"</b>	Australian dollars unless otherwise stated.
<b>ACCC</b>	the Australian Competition and Consumer Commission.
<b>Acceptance Form</b>	the transfer and acceptance form which accompanies this document and forms part of the Takeover Offer.
<b>Accepted Shares</b>	has the meaning given to that term in <b>section 14.9(a)</b> .
<b>Announcement Date</b>	9 October 2014, being the date on which Republic announced details of the Takeover Bid to ASX.
<b>Approval</b>	a licence, authority, authorisation, consent, permission, approval, clearance, grant, confirmation, order, exemption, waiver or ruling.

<b>App</b>	a self-contained program or piece of software designed to fulfil a particular purpose; an application, especially as downloaded by a user to a mobile device.
<b>ASIC</b>	the Australian Securities and Investments Commission.
<b>ASMoz</b>	African Stellar Mozambique Limitada (Mozambique Reg No 1000260603), a wholly owned subsidiary of Republic.
<b>Associate</b>	has the meaning given to that term in the Corporations Act.
<b>ASX</b>	ASX Limited ACN 008 624 691.
<b>ASX Listing Rules</b>	the listing rules of ASX.
<b>ASX Settlement</b>	ASX Settlement Pty Ltd ABN 49 008 504 532, the body which administers the CHESSE system in Australia.
<b>ASX Settlement Operating Rules</b>	the settlement rules of ASX.
<b>Auroch</b>	Auroch Minerals NL ACN 148 966 545.
<b>Bidder's Statement</b>	this bidder's statement, being the statement of Republic under Part 6.5 Division 2 of the Corporations Act relating to the Takeover Offer.
<b>BRTV</b>	Big Review TV Ltd ACN 164 025 129.
<b>BRTV Information</b>	means the information set out in sections 4, 11.5, and any other information relating specifically to BRTV and BRTV Shares.
<b>BRTV Optionholder</b>	a holder of BRTV Options.
<b>BRTV Options</b>	options to subscribe for BRTV Shares.
<b>BRTV Shareholder</b>	a holder of BRTV Shares.
<b>BRTV Shares</b>	fully paid ordinary shares in the capital of BRTV.
<b>Business Day</b>	a day which is not a Saturday, Sunday, bank or public holiday in Sydney.
<b>Capital Raise / Capital Raising</b>	the issue of up to 15,000,000 Republic Shares at an issue price of \$0.20 per Republic Share (on a post Consolidation basis) under the Prospectus.
<b>CGT</b>	capital gains tax.
<b>Conditions</b>	the conditions of the Takeover Offer detailed in <b>section 14.13</b> .
<b>Consideration</b>	the Republic Shares and Republic Options offered in exchange for BRTV Shares under the Takeover Offer.
<b>Consolidation</b>	the consolidation of Republic's share capital approved by the Republic Shareholders at the Republic Shareholder Meeting, on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated



	into one post Consolidation Republic Share.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Encumbrance</b>	any mortgage, charge (whether fixed or floating), pledge, lien, option, restriction as to transfer or any other encumbrance or security or adverse interest whatsoever.
<b>Essential Republic Shareholder Resolutions</b>	those resolutions set out in <b>section 8.4</b> .
<b>Foreign Shareholder</b>	persons who are (or are acting as a nominee or trustee on behalf of) a citizen or a resident of a jurisdiction other than a Permitted Jurisdiction or whose address as shown on the register of members of BRTV is a place outside the Permitted Jurisdictions (or persons who are acting on behalf of such a person).
<b>Glossary</b>	the glossary set out in this <b>section 17</b> .
<b>GST</b>	has the meaning given to that term in <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth).
<b>Gunderson Briggs</b>	Gunderson Briggs Chartered Accountants.
<b>Ineligible Foreign Shareholder</b>	<p>Foreign Shareholders who Republic determines:</p> <ul style="list-style-type: none"> <li>(a) it is unlawful, unduly onerous or unduly impracticable to make the Takeover Offer to and to issue such shareholders with Republic Shares on acceptance of the Takeover Offer; and</li> <li>(b) it is unlawful for such shareholders to accept the Takeover Offer by the law of the relevant place outside the Permitted Jurisdictions,</li> </ul> <p>meaning that these Foreign Shareholders will not be entitled to receive Republic Shares by reason of acceptance of the Takeover Offer.</p>
<b>Merged Group</b>	the group resulting from the combination of Republic and BRTV, which will exist as a result of the Takeover Bid, should the proposed merger proceed to its conclusion.
<b>Minimum Acceptance Condition</b>	the Condition specified in <b>section 14.13(b)</b> .
<b>Offer Period</b>	the period commencing on 10 October 2014 and (unless the Takeover Offer is withdrawn) ending at 7:00pm (Sydney time) on 28 November 2014, or such later date to which the Takeover Offer has been extended.
<b>Officers</b>	in relation to an entity, its directors, company secretaries, officers, partners and employees.
<b>Permitted</b>	Australia (and its external territories).

**Jurisdictions****Prescribed  
Occurrence**

any of the following events:

- (a) BRTV converts all or any of its shares into a larger or smaller number of shares;
- (b) BRTV or a subsidiary of BRTV resolves to reduce its share capital in any way;
- (c) BRTV or a subsidiary of BRTV:
  - (i) enters into a buy-back agreement; or
  - (ii) resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (d) BRTV or a subsidiary of BRTV issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (e) BRTV or a subsidiary of BRTV issues, or agrees to issue, convertible notes;
- (f) BRTV or a subsidiary of BRTV disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (g) BRTV or a subsidiary of BRTV charges or agrees to charge, the whole, or a substantial part, of its business or property;
- (h) BRTV or a subsidiary of BRTV resolves to be wound up;
- (i) a liquidator or provisional liquidator of BRTV or a subsidiary of BRTV is appointed;
- (j) a court makes an order for the winding up of BRTV or a subsidiary of BRTV;
- (k) an administrator of BRTV, or of a subsidiary of BRTV, is appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) BRTV or a subsidiary of BRTV executes a deed of company arrangement; or
- (m) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of BRTV or of a subsidiary of BRTV.

**Prospectus**

the prospectus to be prepared by Republic in accordance with Chapter 6D of the Corporations Act under which the Prospectus Offer will be made.

**Prospectus Offer**

an offer by Republic of 15,000,000 Republic Shares at \$0.20 per Republic Share (on a post Consolidation basis) made under the Prospectus.

<b>Public Authority</b>	<p>any government or any governmental, semi-governmental, administrative, statutory or judicial entity, authority or agency, whether in Australia or elsewhere, including the ACCC and any authority regulating competition issues and any self regulatory organisation established under statute or any stock exchange, but excluding:</p> <ul style="list-style-type: none"> <li>(a) ASIC;</li> <li>(b) the Takeovers Panel;</li> <li>(c) any person mentioned in section 657G(2) of the Corporations Act who applies to the Court for an order under section 657G(1) of the Corporations Act;</li> <li>(d) any person mentioned in section 659B(1) of the Corporations Act who commences court proceedings in relation to a takeover bid or a proposed takeover bid;</li> <li>(e) a court or a Court that makes an order in response to an application under section 657G(1) of the Corporations Act or proceedings commenced pursuant to section 659B(1),</li> </ul> <p>(all terms used in this definition, unless otherwise defined in this Bidder's Statement, have the meaning conferred on them by the Corporations Act).</p>
<b>Quota Sale and Purchase Agreement</b>	the Quota Sale and Purchase Agreement between Republic, REAL and Auroch Minerals NL dated 11 June 2014.
<b>REAL</b>	Republic East Africa Limited, a wholly owned subsidiary of Republic.
<b>Recompliance</b>	the recompliance by Republic with ASX Listing Rules Chapters 1 and 2 as a result of the completion of the Takeover Bid.
<b>Relevant Date</b>	5:00 pm on 9 October 2014 (Sydney time).
<b>Relevant Interest</b>	has the meaning given to that term in the Corporations Act.
<b>Republic</b>	Republic Gold Limited ACN 106 399 311.
<b>Republic Board</b>	the board of directors of Republic.
<b>Republic Notice of Meeting</b>	the Notice of Meeting and Explanatory Statement of Republic dated on or around 17 October 2014 relating to the Republic Shareholder Meeting.
<b>Republic Option</b>	an option to acquire one Republic Share at an exercise price of \$0.30 per Republic Share expiring 31 December 2017.
<b>Republic</b>	a holder of Republic Shares.

**Shareholder**

**Republic  
Shareholder  
Meeting**

the extraordinary general meeting of Republic Shareholders to be held on or about 17 November 2014 to consider and (if thought fit):

- (a) to approve the issue of Republic Shares under the Prospectus Offer;
- (b) to approve the change to the nature and scale of Republic's activities as a result of the Takeover Offer, for the purposes of ASX Listing Rule 11.1;
- (c) to approve the Consolidation of Republic's share capital on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share;
- (d) to approve the change of name of Republic from "Republic Gold Limited" to "Big Un Limited" or such other name as Republic and BRTV agree; and
- (e) subject to the Takeover Offer becoming Unconditional, to approve the appointment of 3 nominees of BRTV, being Richard Evertz, Sonia Thurston and Andrew Corner, to the Republic Board.

**Republic Shares**

fully paid ordinary shares in the capital of Republic.

**Rights**

all accretions, rights or benefits attaching to or arising from BRTV Shares on or after the Announcement Date (including all rights to receive dividends, bonuses or other shares of its profits or assets as well as rights to receive or subscribe for shares, stock units, notes or options and all other distributions or entitlements declared, paid, made or issued by BRTV or any of its subsidiaries).

**Securities Act**

the *Securities Act 1933* of the United States of America.

**SME**

has the meaning given to it in **section 4.1**.

**Superior  
Proposal**

a proposal or offer by any person with respect to any transaction (by purchase, scheme of arrangement, takeover bid or otherwise) that may result in (or group of persons) other than Republic, directly or indirectly:

- (a) acquiring voting power of more than 50% of BRTV;
- (b) acquiring an interest in all or a substantial part of the assets of or business of BRTV;
- (c) otherwise acquiring control of BRTV (within the meaning of section 50AA of the Corporations Act or otherwise); or
- (d) merging or amalgamating with BRTV or any

subsidiary of BRTV,

that the BRTV board of directors has determined, in good faith, after consultation with their external legal and financial advisers, is:

- (a) reasonably capable of being valued and completed, taking into account all aspects of the proposal or offer (including accounting, legal, financial, and regulatory aspects) and the person making the proposal or offer; and
- (b) if consummated in accordance with its terms, more favourable to BRTV Shareholders (as a whole) than the Takeover Offer, taking into account all the terms and conditions of the proposal or offer.

<b>Takeover Bid</b>	the off market bid in accordance with Part 6.5 of the Corporations Act under which Republic offers to acquire all of the BRTV Shares.
<b>Takeover Offer</b>	the offer for BRTV Shares contained in this Bidder's Statement.
<b>Target's Statement</b>	the target's statement prepared by BRTV in respect of the Takeover Offer, a copy of which is enclosed with this Bidder's Statement.
<b>Unconditional</b>	that the Takeover Offers and any contracts resulting from acceptance of the Offers are no longer subject to fulfilment of the Conditions.
<b>Unmarketable Parcel Shareholder</b>	has the meaning given to the term in <b>section 14.11(a)</b> .
<b>Your BRTV Shares</b>	all the BRTV Shares held by you including all BRTV Shares held by you at the Relevant Date and still retained by you, and all BRTV Shares acquired by you on or after the Relevant Date and still retained by you and <b>my/our BRTV Shares</b> has a corresponding meaning.

**Dated** 9 October 2014

Signed for and on behalf of Republic by David Hannon, a director of Republic who is authorised to sign this Bidder's Statement on behalf of Republic pursuant to a unanimous resolution passed by the directors on 8 October 2014.

David Hannon  
**Director**

A handwritten signature in dark ink, appearing to read 'D. Hannon', with a wavy line extending to the right.

# Corporate directory

## **Bidder**

Republic Gold Limited  
Suite 705, Level 7, 3 Spring St  
Sydney, NSW 2000

## **Current board of directors**

Mr Raymond Shorrocks, Executive Chairman

Mr Peter Wicks, Non-executive Director

Mr Mark Gillie, Non-executive Director

Mr David King, Non-executive Director

Mr David Hannon, Non-executive Director

## **Proposed board of directors**

Mr Raymond Shorrocks, Executive Chairman

Mr Richard Evertz, CEO and Managing Director

Miss Sonia Thurston

Mr Andy Corner

Mr David Hannon, Non-executive Director

## **Legal Advisor**

Corrs Chambers Westgarth  
8 Chifley, 8-12 Chifley Square  
Sydney NSW 2000

## **Current company secretary**

Nick Geddes

## **Proposed company secretary**

Nick Geddes

## **Current registered office**

Republic Gold Limited  
Level 3, 70 Pitt Street  
Sydney, NSW 2000

## **Proposed registered office**

Republic Gold Limited  
Level 3, 70 Pitt Street  
Sydney, NSW 2000

## **Offer Information Line**

Within Australia: 02 9220 9500

Outside Australia: +61 2 9220 9500

Hours of operation: 9:00am to 5:00pm (Sydney time) Monday to Friday

**A**

**THIS IS AN IMPORTANT DOCUMENT. IF YOU ARE IN DOUBT AS TO HOW TO COMPLETE THIS FORM, PLEASE CONSULT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

**B**

## Accepting the Takeover Offer

**C**

### Security holder details

Holding at / /

\_\_\_\_\_ Republic Shares

\_\_\_\_ Republic Options

**D**

Individual or Shareholder		Joint Shareholder 2		Joint Shareholder 3
Sole Director and Sole Company Secretary / Director (delete one)		Director/Company Secretary (delete one)		Director

Contact Name

[illegible]

Telephone Number – Business Hours/After Hours

(			)								
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## How to complete this form

### Acceptance of the Takeover Offer

#### **A** Registration Name(s)

Your BRTV Shares are currently registered in the name(s) printed on this form.

If you have already sold all Your BRTV Shares shown overleaf, do not keep or return this form.

#### **B** The Consideration applicable

The Consideration payable under the Takeover Offer is 23.582 Republic Shares for every 100 BRTV Shares, together with one Republic Option for every 10 Republic Shares issued under the Takeover Offer.

#### **C**

#### Using the Acceptance Form

As Your BRTV Shares are held in an issuer sponsored subregister, to accept the Takeover Offer, please sign and date the front page of the Acceptance Form in accordance with the following.

#### **D** Signature(s)

Please sign and date the front page of this Acceptance Form in accordance with the following:

Joint Shareholders: where the holding is in more than one name all of the BRTV Shareholders must sign.

Power of Attorney: to sign under power of attorney, please attach a certified copy of the power of attorney to this Acceptance Form when you return it.

Deceased Estate: all executors must sign and attach a certified copy of probate, letters of administration or certificate of grant accompanied (where required by law for the purpose of transfer) by a certificate of payment of death or succession duties and (if necessary) a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.

Companies: this form must be signed by either two directors or a director and a company secretary. Alternatively, where the company has a sole director and, pursuant to the Corporations Act, there is no company secretary, or where the sole director is also the sole company secretary, that director may sign alone.

**YOUR ACCEPTANCE MUST BE RECEIVED NO LATER THAN THE END OF THE OFFER PERIOD, 7.00pm (Sydney time) ON 28 November 2014 UNLESS EXTENDED.**

#### How to lodge this form

Mail or deliver the completed Acceptance Form and any other documents required by the above instructions to:

**BY HAND OR BY MAIL** (A reply paid envelope is enclosed)

Republic Gold Limited

Level 7, Suite 5, 3 Spring Street  
Sydney NSW 2000

**If you have any questions about the terms of the Takeover Offer or how to accept, please call the offer enquiry line on +61 2 9220 9500.**

#### Privacy Statement

Personal information is collected on this form by Republic, for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Republic, or you would like to correct information that is inaccurate, incorrect or out of date, please contact Republic. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by the issuer in addition to general communications. You may elect not to receive marketing material by contacting Republic. You can contact Republic by phone: +61 2 9220 9500.

**Please return the completed form in the envelope provided or to the address opposite:**

Republic Gold Limited  
Level 7, Suite 5, 3 Spring Street  
Sydney NSW 2000



# **TARGET'S STATEMENT**

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Big Review TV Limited  
ACN 164 025 129

The directors of Big Review TV Limited  
unanimously recommend that you

# **ACCEPT**

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Republic Gold Limited's takeover offer  
**(in the absence of a Superior Proposal)**

This Target's Statement has been issued in response to the off-market takeover bid made by Republic Gold Limited for all the ordinary shares in Big Review TV Limited.

This is an important document and requires your immediate attention.  
If you are in any doubt about how to deal with this document, you should contact your broker, financial adviser or legal adviser immediately.

Date: 9 October 2014

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## Key Dates

Event	Date
Announcement of Offer by Republic	9 October 2014
Lodgement of Bidder's Statement with ASIC	9 October 2014
Lodgement of Target's Statement with ASIC	9 October 2014
Bidder's Statement sent to BRTV Shareholders	10 October 2014
Target's Statement sent to BRTV Shareholders	10 October 2014
Opening date of Offer	10 October 2014
Anticipated dispatch Notice of Meeting to Republic shareholders	17 October 2014
Anticipated date of Republic's shareholder meeting	17 November 2014
Offer closing date and anticipated closing date of Prospectus (in each case unless extended)	7.00pm on 28 November 2014

\* The dates set out in the above timetable may be varied in accordance with the Corporations Act, and, where required, in consultation with ASX. Any changes to the above timetable will be released to ASX. These dates are indicative only and subject to change without prior notice.



## **Important Notices**

### **Nature of this document**

This document is a Target's Statement issued by BRTV under Part 6.5 Division 3 of the Corporations Act in response to Republic's Bidder's Statement and Offer.

### **Defined terms**

A number of defined terms are used in this Target's Statement. These terms are explained in section 10 of this Target's Statement. Unless a contrary intention appears or the context requires otherwise, words and phrases used in this Target's Statement and defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

### **No account of personal circumstances**

This Target's Statement does not take into account your individual objectives, financial situation or particular needs. It does not constitute personal advice. The Directors encourage you to seek independent financial and taxation advice before making a decision as to whether or not to accept the Offer.

### **Disclaimer as to forward looking statements**

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. Such statements are predictions only and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which BRTV operates as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement. None of BRTV, BRTV's officers and employees or any persons 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) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement, except to the extent required by law. You are cautioned not to place undue reliance on any forward looking statement. The forward looking statements in this Target's Statement reflect views held only as at the date of this Target's Statement.

### **ASIC and ASX disclaimer**

A copy of this Target's Statement was lodged with ASIC on 9 October 2014. ASIC and its respective officers do not take any responsibility for the content of this Target's Statement.

### **Disclaimer as to information**

The information on Republic and Republic's shares contained in this Target's Statement has been provided by Republic and should not be considered comprehensive. The information in the Target's Statement concerning Republic and its assets and liabilities, financial position and performance, profits and losses and prospects, has not been independently verified by BRTV (**Republic Information**). The Republic Information contained in this document is the responsibility of Republic. BRTV does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information. Further information relating to Republic's business has been included in Republic's Bidder's Statement which has been provided with this document.

### **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**

Any diagrams, pictures, charts, 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, pictures, graphs and tables is based on information available at the date of this Target's Statement.

### **Privacy**

BRTV has collected your information from the BRTV register of shareholders for the purpose of providing you with this Target's Statement. The type of information BRTV has collected about you includes your name, contact details and information on your shareholding in BRTV. Without this information, BRTV 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 BRTV's and external service providers (such as the share registry of BRTV and print and mail service providers) and may be required to be disclosed to regulators such as ASIC.

The registered address of BRTV is:

Level 3  
10 Tilley Lane  
Frenchs Forest NSW 2086

### **No website part of this Target's Statement**

Any references in this Target's Statement to websites are textual references for information only and no information in any website forms part of this Target's Statement.

### **References to Bidder's Statement**

All references in this Target's Statement to the Bidder's Statement or any part or section of the Bidder's Statement will be deemed to be part of this Target's Statement.

Neither Republic nor any Republic Director takes any responsibility for the contents of this Target's Statement, or any part or parts thereof, including references herein to the Bidder's Statement or any part or section of the Bidder's Statement. BRTV has not verified the information contained in the Bidder's Statement and makes no warranty as to the accuracy of such information other than in respect of the BRTV Information.

### **References to Prospectus and Notice of Meeting**

All references in this Target's Statement to the Prospectus are references to the Prospectus that Republic will issue in connection with the Offer. The BRTV Directors understand that the Prospectus is intended to be issued shortly after the date of the Bidder's Statement. BRTV has not verified the information contained in the Prospectus and makes no warranty as to the accuracy of such information.

All references in this Target's Statement to the Notice of Meeting are references to the Notice of Meeting that Republic proposed to be issued on or around 17 October 2014 for the purpose of convening the General Meeting of RAU shareholders, to be held on or around 17 November 2014. BRTV has not verified the information contained in the Notice of Meeting and makes no warranty as to the accuracy of such information.

### **Date of this Target's Statement**

This Target's Statement is dated 9 October 2014.



## Chairman's Letter

9 October 2014

Dear BRTV Shareholder

**In the absence of a Superior Proposal you should accept the Offer. However, you should read all of this Target's Statement for other important information.**

### **Background**

BRTV Limited (**BRTV** or the **Company**) is seeking a back-door listing on the Australian Securities Exchange (**ASX**) by way of an offer by Republic Gold Limited (**ASX: RAU**).

In order to achieve this Republic has launched an off-market takeover bid for all of BRTV's Shares on issue (the **Offer**). The Offer is contained in Republic's Bidder's Statement dated 9 October 2014 (**Bidder's Statement**) which is being sent to BRTV Shareholders at the same time as this Target's Statement.

This Target's Statement has been issued by BRTV in response to the Bidder's Statement.

The Bidder's Statement and this Target's Statement are important documents. We encourage you to read and consider them carefully before deciding whether you wish to accept Republic's Offer.

Under the Offer, for every 100 BRTV Shares you currently own, Republic is offering you 23.582 Republic Shares, together with one Republic Option for every ten Republic Shares issued to you.

### **Recommendation – ACCEPT the Offer**

The Directors of BRTV unanimously recommend that you accept the Offer, (in the absence of a Superior Proposal) by completing and returning the Acceptance Form enclosed with the Bidder's Statement as early as possible and in any event before the Closing Date of the Offer, being 28 November 2014.

The key reasons why the BRTV Directors have recommended BRTV Shareholders accept the Offer are set out in greater detail in section 2 of the Bidder's Statement. However, some of the main benefits that result if the Offer is successfully completed, will include:

- 1 the business and operations of BRTV will continue in substantially the same manner as it is presently being conducted post completion of the Offer;
- 2 the combined Republic/BRTV entity will be in a stronger financial position than BRTV on a standalone basis to fund the growth of BRTV's existing business.
- 3 The Republic Board will be reconstituted so that representatives of BRTV Shareholders have control and its name will be changed to 'Big Un Limited' (or another name to be determined in the discretion of the BRTV Directors); and
- 4 BRTV will have improved potential access to capital and will be better capitalised; and
- 5 BRTV Shareholders will have access to a more liquid market for trading of Republic Shares received under the Offer than is currently available for unlisted BRTV Shares they hold.

### **Major BRTV Shareholders intend to accept the Offer**

All of the BRTV directors, who between them own 42.3% of the BRTV Shares currently on issue have indicated that they will accept and/or procure the acceptance of the Offer in respect of all the BRTV Shares that they control in the absence of a Superior Proposal.

### **Risks**

There are risks associated with the Offer and accepting Republic's Securities for your BRTV Shares, including the risks set out in section 11 of the Bidder's Statement.

The Offer is conditional. In particular it should be noted that the Offer is subject to 80% minimum acceptances, approval by Republic members at a General Meeting and at least \$1,000,000 being raised under the Capital Raising. It is not certain that these conditions will be met.



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**Read all documents carefully**

We encourage you to read both the Bidder's Statement and the Target's Statement carefully. If you have any questions, please contact your professional financial adviser or contact Andrew Corner on [andy@bigreviewtv.com](mailto:andy@bigreviewtv.com) or +61 2 9453 2293.

Regards

A handwritten signature in dark ink, appearing to read 'B. Evertz', with a long, sweeping horizontal stroke extending to the right.

Brandon Evertz

## 1 Summary of the Offer

Set out below is a summary of the key features of the Offer. This section answers some commonly asked questions about the Offer. Please also refer to section 1 of the Target Statement for responses on additional frequently asked questions in relation to the Offer.

Who is making the offer?	<p>Republic Gold Limited ABN 86 102 399 311 (ASX:RAU).</p> <p>Republic was admitted to the official list of ASX on 16 January 2004 as a gold exploration company. Its major assets are gold exploration licences held by its wholly-owned subsidiary, ASMOz (a company established and registered in Mozambique to explore for minerals and develop mines in Mozambique).</p> <p>Republic recently announced it had entered into binding agreements to sell all of its interest in ASMOz to Auroch in consideration for cash and securities in Auroch. This sale is expected to complete by 30 June 2015. Auroch is an ASX listed company involved in mineral exploration and development and holds adjacent tenements to the key ASMOz tenement.</p>
What is the Offer?	<p>Republic offers to acquire all of your BRTV Shares.</p> <p>For every 100 BRTV Shares you own, you will be offered 23.582 Republic Shares, together with one Republic Option for every ten Republic Shares issued to you.</p> <p>The terms of the Republic Shares and the Republic Options are described in sections 9 and 10 of the Bidder's Statement, respectively.</p>
Is the Offer Conditional?	<p>Yes. The Offer is subject to a number of Conditions which are set out in full in section 14.13 of the Bidder's Statement.</p> <p>In summary, the key Conditions are as follows:</p> <ul style="list-style-type: none"> <li>(a) Republic acquiring a Relevant Interest in at least 80% of all of the issued BRTV Shares at the end of the Offer Period;</li> <li>(b) completion of the Capital Raising for a minimum of \$1 million;</li> <li>(c) approval of Republic's members at the General Meeting of all Essential Resolutions;</li> <li>(d) no 'Prescribed Occurrences' occur in respect of BRTV; and</li> </ul> <p>such other conditions as are customary for a transaction comparable to the Offer.</p>
Closing Date	<p>Unless withdrawn or extended, the Offer is open until 7:00pm (Sydney Time) on 28 November 2014.</p>
Payment Date	<p>In the usual case, you will receive your Offer Consideration on or before the earlier of:</p> <ul style="list-style-type: none"> <li>(a) 1 month after the later of the date on which the Offer becomes or is declared Unconditional or the date you accepted the Offer if the Offer is Unconditional at the time of acceptance; or</li> <li>(b) 21 days after the end of the Offer Period, assuming the Offer becomes or is declared Unconditional, provided that you have provided all documents required for acceptance of the Offer with your acceptance.</li> </ul> <p>However, there are certain exceptions to the timetable for issuing the Offer Consideration.</p>

	Full details of when you will be issued your Offer Consideration are set out in section 14.12 of the Bidder's Statement.
How to accept	Details of how to accept the Offer are set out in section 14.6 of the Bidder's Statement and in the Acceptance Form accompanying the Bidder's Statement.
Tax implications	<p>A detailed overview of the Australian taxation considerations of accepting the Offer is set out in section 12 of the Bidder's Statement.</p> <p>While the outline provides a general summary of the Australian taxation considerations and potential consequences of participating in the Offer, the tax consequences of your participation will depend on your individual circumstances. As such, you should obtain your own tax advice before making a decision on whether to accept the Offer.</p> <p>The general summary is not intended to address all relevant tax matters for BRTV Shareholders to consider.</p>
Further information	<p>For questions about your BRTV Shares, please refer to section 4 of this Target's Statement.</p> <p>For questions about the Offer or how to accept the Offer, please refer to section 14.6 of the Bidder's Statement.</p> <p>Any BRTV queries please contact Andrew Corner on <a href="mailto:andy@bigreviewtv.com">andy@bigreviewtv.com</a> or +61 2 9453 2293.</p>



## **2 Directors' recommendations and intentions**

### **2.1 Directors of BRTV**

As at the date of this Target's Statement, the BRTV Directors are:

- (a) Brandon Evertz, Executive Director;
- (b) Ben Hunter, Executive Director; and
- (c) Sonia Thurston, Executive Director.

As set out in sections 2.4(d) and 8.9(b) of this Target's Statement, Andrew Corner, Richard Evertz (both of whom are current executives of BRTV) and Sonia Thurston have been nominated for appointment to the board of Republic with effect upon successful Completion of the Offer.

### **2.2 Directors' Recommendations**

After taking into account each of the matters in this Target's Statement and in the Bidder's Statement, your BRTV Directors unanimously recommend that you **ACCEPT** the Offer (in the absence of a Superior Proposal).

In considering whether to accept the Offer, your BRTV Directors encourage you to:

- (a) carefully read the whole of this Target's Statement and the Bidder's Statement;
- (b) have regard to your individual risk profile, portfolio strategy, tax position and financial circumstances;
- (c) consider the alternatives to the Offer noted in section 7.4 of this Target's Statement; and
- (d) obtain independent financial, tax, legal or other professional advice before making any decision on whether to accept the Offer.

### **2.3 Intentions of the Directors in relation to the Offer**

Each BRTV Director currently intends, in the absence of a Superior Proposal to accept the Offer in respect of any BRTV Shares that they, or their associates, own or control (whether they are held directly or through an entity they control). The Relevant Interests held by each of the BRTV Directors in BRTV Shares is set out in section 8.2 of this Target's Statement.

### **2.4 Key reasons why you should accept the Offer**

The key reasons the BRTV Directors have recommended to BRTV Shareholders to accept the Offer (in the absence of a Superior Proposal) are:

- (a) Your shareholding will be more liquid in the Merged Group

As BRTV is currently an unlisted public company, BRTV Shareholders are not able to trade their shares freely on ASX or otherwise.

The Offer will provide BRTV Shareholders with access to a more liquid market for trading Republic Shares received under the Offer in exchange for of their unlisted BRTV Shares.

Subject to the Offer being completed, Republic will seek re-admission to the Official List of the ASX following Completion under its new name, Big Un Limited (or such other name as determined by the BRTV Directors). As an ASX listed company, the Merged Group may have access to a wider range of financial opportunities, including a wider spread of shareholders, which may facilitate future capital raising. In addition, BRTV Shareholders will benefit from the greater liquidity associated with being able to trade their shares in an open market (subject to any applicable trading restrictions).

Listing the Merged Group on ASX will also provide for:

- a greater ability to attract key staff by way of offering a larger range of remuneration and incentives by way of employee share ownership plans and the like; and
- a greater ability to work with counter parties given the reporting and disclosure requirements placed on listed companies and their board of directors.

(b) BRTV will hold significant proportion of shares in Merged Group

If the Offer is completed and Republic acquires 100% of the BRTV Shares, former BRTV Shareholders will hold approximately 72% of the enlarged Merged Group. This would mean approximately 72% of the value of the Merged Group would be attributable to pre-Offer BRTV, with the balance of approximately 28% attributable to pre-Offer Republic, which the BRTV Directors consider to be an appropriate allocation of value of the Merged Group as between existing Republic shareholders and BRTV Shareholders if the Offer is successfully completed.

If the Offer completes, and you are issued Republic Shares and Republic Options, the theoretical value of the Offer Consideration will change as a consequence of changes in the market price of the shareholding in the Merged Group from time to time. Please refer to section 2.3 of the Bidder's Statement for further information in respect of the theoretical value of the Offer.

(c) The Offer is a superior value proposition relative to alternatives

While the BRTV Directors have considered other opportunities to raise capital, the Board considers that the Offer provides BRTV Shareholders with the best opportunity to raise new capital and potentially access further capital if required in the future.

You should also take into account that there may be reasons against accepting the Offer, particularly risks of the Offer as described in section 5 of this Target Statement.

(d) The Merged Group will have a strong board and management team

Upon Completion, the Republic Board will be reconstituted and its company name changed to Big Un Limited (or such other name determined as Republic and BRTV agree). The existing directors of Republic except Raymond Shorrocks and David Hannon are to resign and Andrew Corner, Richard Evertz and Sonia Thurston will be appointed in their place.

Resolutions for the election of these individuals to the Republic Board are to be voted upon by Republic shareholders at the General Meeting.

Refer to section 3.8 of the Bidder's Statement for information on the proposed reconstitution of the Merged Group's board.



### 3 Summary

#### 3.1 Offer Period

Unless the Offer is extended or withdrawn, it is open for acceptance until 7:00pm (Sydney Time) on 28 November 2014.

Pursuant to section 650(C)(2) of the Corporations Act, Republic may not extend the Offer Period after it has given a Notice of Status of Conditions. However, if the Offer is Unconditional, Republic may extend the Offer Period at any time before the end of the Offer Period.

In addition, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:

- (a) Republic improves the Offer Consideration offered under the Offer; or
- (b) Republic's voting power in BRTV increases to more than 50%.

If either of these events occurs, the Offer Period is automatically extended so that it ends 14 days after the relevant event occurs.

#### 3.2 Conditions

The Offer is subject to the Conditions set out in section 14.13 of the Bidder's Statement. In summary, the principal Conditions to the Offer are:

- (a) **Republic Shareholder approval:** the shareholders of Republic having passed all Essential Resolutions required at the General Meeting.
- (b) **BRTV prescribed occurrence:** during the period from the Opening Date of the Offer to the Closing Date of the Offer, no BRTV Prescribed Occurrence occurs.
- (c) **Minimum acceptance condition:** Republic receiving valid acceptances under the Offer in respect of ordinary shares in BRTV representing at least 80% of the BRTV Shares.
- (d) **Republic Prospectus offer condition:** the Prospectus offer closes and Republic receives or becomes entitled to receive, in immediately available funds, gross proceeds of no less than \$1 million as a result of subscriptions made under the Prospectus.
- (e) **No regulatory intervention:** during the period from the date of the announcement of the Takeover Offer to the date the Takeover Offer closes, there is not in effect any preliminary or final decision, order or decree, and no application is made (other than by Republic) or action or investigation is announced threatened or commenced in connection with the Offer which would restrain, impede or prohibit the making of the Takeover Offer or any of the transactions being completed in connection with the Transaction.
- (f) **ASX consent to re admission:** Republic receives from ASX written confirmation that ASX will readmit Republic to the official list of ASX under the name 'Big Un Limited' and terminate the suspension from official quotation of Republic Shares and Republic Options, subject to the satisfaction of the terms and conditions, if any, as prescribed by ASX or the ASX Listing Rules.
- (g) **Entry into escrow arrangements:** each BRTV Shareholder who is required by the ASX to enter into an escrow agreement (on the terms required by the ASX, including the duration of the escrow) entering into that escrow agreement with Republic in relation to the Republic Shares and Republic Options issued to that BRTV Shareholder under the Offer that ASX requires be escrowed.
- (h) **Other regulatory approvals:** before the end of the Offer Period, all Approvals required by law or by any Public Authority:
  - (i) as are necessary to permit the Takeover Offer to be lawfully made to and accepted by BRTV Shareholders;

- (ii) which are required as a result of the Takeover Offer or the acquisition of BRTV Shares and which are necessary for the continued operation of the BRTV business; or
- (iii) as are necessary to permit the completion of any transaction contemplated by the Bidder's Statement (including implementation of the intentions expressed in section 5 of the Bidder's Statement),

are granted, given, made or obtained on an unconditional basis and remain in full force and effect in all respects and do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

- (i) **Statutory Condition:** The Offer is also subject to the statutory condition under the Corporations Act, requiring an application for admission to quotation for the Republic Shares and Republic Options (if applicable) issued as consideration to the BRTV Shareholders be made within seven days after the start of the Offer Period, and that permission for Re-admission to be granted within seven days after the end of Offer Period. This statutory condition cannot be waived by Republic and is described in section 14.20 of the Bidder's Statement.

### 3.3 Notice of Status of Conditions

As required by section 630(3) of the Corporations Act, Republic must lodge with the ASX and issue a notice disclosing the status of the conditions to the Offer (**Notice of Status of Conditions**). The Bidder's Statement indicates that Republic will give a Notice of Status of Conditions to ASX and BRTV on 19 November 2014 (subject to extension if the Offer Period is extended). In that notice, Republic is required to set out:

- (a) whether the Offer is free of any or all of the Conditions;
- (b) whether, so far as Republic knows, any of the Conditions have been fulfilled; and
- (c) Republic's voting power in BRTV.

If the Offer Period is extended by a period before the time by which the Notice of Status of Conditions is to be given, the date for giving the Notice of Status of Conditions will be taken to be postponed for the same period. In the event of such an extension, Republic is required, as soon as practicable after the extension, to give a notice to BRTV that states the new date for the giving of the Notice of Status of Conditions, and whether the Offer has been freed from any condition and whether the condition has been fulfilled on the date the notice is given.

If a Condition is fulfilled (so that the Offer becomes free of that condition) during the Offer Period but before the date on which the Notice of Status of Conditions is required to be given, Republic must, as soon as practicable, give BRTV a notice that states that the particular Condition has been fulfilled.

As at 9 October 2014 none of the Conditions to the Offer have been fulfilled.

While BRTV is not currently aware of any information which would cause a condition to Republic's Offer to fail, Republic's Offer is subject to the Conditions and therefore BRTV Shareholders may choose to wait for some of the outstanding Conditions to be fulfilled or waived before accepting the Offer.

### 3.4 Key terms of Republic Shares

A summary of the rights and liabilities attaching to Republic Shares is set out in section 9 of the Bidder's Statement.

### 3.5 Key terms of Republic Options

A summary of some of the key terms of Republic Options is set out below.

- (a) Each Republic Option entitles the holder to subscribe for one Republic Share upon exercise of the Republic Option.



- (b) Republic Shares issued on the exercise of the Republic Options will rank equally with the then issued Republic Shares.
- (c) The amount payable upon exercise of each Republic Option is \$0.30.
- (d) Each Republic Option will expire at 4.00pm on 31 December 2017 (**Expiry Date**). A Republic Option not exercised before the Expiry Date will automatically lapse.
- (e) Republic currently intends to apply for quotation of the Republic Options on the official list of the ASX within 7 days of the date of the Bidder's Statement. Quotation of the Republic Options is not guaranteed or automatic but will depend on the ASX exercising its discretion under the ASX Listing Rules.

Further information on the terms of the Republic Options is set out in section 10 of the Bidder's Statement.

### 3.6 **Essential Resolutions**

It is a Condition that the Republic Shareholders approve each of the Essential Resolutions at the General Meeting.

Further information on the Essential Resolutions is set out in section 8.4 of the Bidder's Statement.

### 3.7 **Withdrawal of the Offer**

Republic may not withdraw the Offer if BRTV Shareholders have already accepted it (though the Conditions of the Offer may not be satisfied and the Offer will lapse if the Conditions are not satisfied or waived). Before you accept the Offer, Republic may withdraw the Offer with the written consent of ASIC, subject to the conditions (if any) specified in such consent.

### 3.8 **Effect of Acceptance**

The effect of acceptance of the Offer is set out in section 14.9 of the Bidder's Statement. BRTV Shareholders should read these provisions carefully to understand the effect that acceptance will have on their ability to exercise the rights attaching to their BRTV Shares and the representations and warranties which they give by accepting the Offer.

### 3.9 **Withdrawal rights**

If you accept the Offer you may only withdraw your acceptance if Republic varies the Offer in a way that postpones, for more than one month, the time when Republic needs to meet its obligations under the Offer, and the Offer is still subject to the Conditions.

### 3.10 **Improvement of the Offer by Republic after acceptance of the Offer**

If Republic improves the Offer Consideration, all BRTV Shareholders will be entitled to the benefit of that improved Offer Consideration, whether or not they have accepted the Offer prior to the improvement.

### 3.11 **Lapse of Offer**

The Offer will lapse if the Conditions are not waived or fulfilled by the end of the Offer Period (as extended). If the Offer lapses, all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void, and you will be free to deal with your BRTV Shares as you see fit.

### 3.12 **Compulsory Acquisition**

Republic has indicated in section 13.2 of its Bidder's Statement that if it satisfies the required thresholds it intends to compulsorily acquire any outstanding BRTV Shares.

Republic will be entitled to compulsorily acquire any BRTV Shares in respect of which it has not received an acceptance of its Offer on the same terms as the Offer if, during or at the end of the



Offer Period Republic and its associates have a Relevant Interest in at least 90% (by number) of the BRTV Shares.

If this threshold is met, Republic will have one month after the end of the Offer Period within which to give compulsory acquisition notices to BRTV shareholders who have not accepted the Offer. BRTV Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge 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 their BRTV Shares.

If compulsory acquisition occurs, BRTV Shareholders who have their BRTV Shares compulsorily acquired are likely to be issued their Offer Consideration approximately 5 to 6 weeks after the compulsory acquisition notices are dispatched to them.

It is also possible that Republic will, at some time after the end of the Offer Period, become the beneficial holder of 90% of the BRTV Shares. Republic would then have rights to compulsorily acquire BRTV Shares not owned by it within 6 months of becoming the holder of 90%. Republic's price for compulsory acquisition under this procedure would have to be considered in a report of an independent expert.

### **3.13 BRTV Directors intend to accept the Offer**

The BRTV Directors and other BRTV Shareholders who together own 42.3% of all BRTV Shares on issue as at the date of this Target's Statement, have advised BRTV that, in the absence of a Superior Proposal, they intend to accept and/or procure the acceptance of the Offer in respect of all of the BRTV Shares that they control.

### **3.14 Intentions of the Bidder**

The intentions of Republic and the Merged Group (as at the date of the Bidder's Statement) are set out in section 5 of the Bidder's Statement. These statements are statements of intention as at the date of the Bidder's Statement and may change as new information comes to light or circumstances change.

### **3.15 BRTV Share Price absent the Offer**

Currently, BRTV Shares are not quoted on a financial market and are an illiquid investment. If BRTV does not complete the Transaction with Republic, there is no guarantee that there will be an active market for BRTV Shares at any time in the future.

The BRTV Directors consider that there is a significant risk that, if the Offer is not successful, BRTV will remain unlisted and BRTV Shareholders will not be able to realise their investment easily.

### **3.16 Tax**

Given the complexity of the taxation legislation and the wide variety of differences in tax according to the particular circumstances of a shareholder, you should seek independent taxation advice regarding the tax consequences of accepting the Offer.

The Bidder's Statement at section 12 sets out a general outline of the Australian tax implications of accepting the Offer. The general outline is intended as a guide only for BRTV Shareholders. The tax consequences for you will depend on your individual circumstances and you should obtain your own professional advice from a qualified tax adviser.

You should not rely on anything in this Target's Statement or in section 12 of the Bidder's Statement as advice about your own affairs. It does not cover how tax may apply to all Big Review TV shareholders. You should seek your own independent financial and taxation advice, which takes into account your personal circumstances, before making a decision as to whether or not to accept the Offer for your BRTV Shares.

## **4 Frequently asked questions**

### **4.1 Who is making the offer?**

Republic Gold Limited.

At the General Meeting, Republic will seek shareholder approval to change its name to Big Un Limited (or such other name as determined by the BRTV Directors) to better suit the new direction of the Merged Group. This is not a Condition of the Offer.

### **4.2 What is the Offer?**

Republic is offering BRTV Shareholders, for every 100 BRTV Shares they hold, 23.582 Republic Shares, together with one Republic Option for every ten Republic Shares issued to them.

### **4.3 Will the Republic Shares and Republic Options be quoted?**

Republic will apply for quotation of the Republic Shares and intends to apply for quotation of the Republic Options on the official list of ASX within seven days of the date of the Bidder's Statement. Quotation of the Republic Shares and Republic Options (if applicable) will not be automatic but will depend on ASX exercising its discretion to admit them to the official list of ASX.

You should refer to section 7.2 of this Target's Statement for further information on this point.

### **4.4 What choices do I have as a BRTV Shareholder?**

As a BRTV Shareholder, you have the following choices in respect of your BRTV Shares:

- (a) accept the Offer (which is recommended in the absence of a Superior Proposal);
- (b) reject the Offer (for which no action is necessary); or
- (c) attempt to sell some or all of your BRTV Shares (unless you have previously accepted or agreed to accept the Offer and have not validly withdrawn your acceptance).

There are several implications of each of the above choices. You should refer to section 5 of this Target's Statement for further information.

### **4.5 Will a Superior Proposal be made by a third party for my BRTV Shares?**

If you accept the Offer, you are only able to withdraw your acceptance in limited circumstances. Accordingly, if you accept the Offer, you may not be able to accept a Superior Proposal from a third party, should one emerge.

As at the date of this Target's Statement, no Superior Proposal has been received by BRTV.

### **4.6 Are there any the risks associated with accepting the Offer?**

Yes. A summary of the risks associated with accepting the Offer are set out in section 11 of the Bidder's Statement and section 5 of this Target's Statement provide a detailed explanation of the risks associated with the Offer. The performance of the Merged Group and the market price and value of the shares will be subject to a range of risks.

### **4.7 What do the BRTV Directors recommend I do?**

Each BRTV Director recommends that you accept the Offer for your BRTV Shares (in the absence of a Superior Proposal). You should refer to section 6 of this Target's Statement for further information.

### **4.8 What do the BRTV Directors intend to do with their BRTV Shares?**

The BRTV Directors (and other major BRTV Shareholders) who together own 42.3% of all BRTV Shares on issue as at the date of this Target's Statement, have advised BRTV that, in the absence of a Superior Proposal, they intend to accept and/or procure the acceptance of the Offer in respect of all of the BRTV Shares that they control.



**4.9 What are the conditions to the Offer?**

The Offer is subject to the Conditions. In summary, the main Conditions to the Offer are:

- (a) Republic acquiring a Relevant Interest in at least 80% of all of the issued BRTV Shares at the end of the Offer Period;
- (b) completion of the Capital Raising for a minimum of \$1,000,000;
- (c) approval of Republic's members at the General Meeting of all Essential Resolutions; and
- (d) no Prescribed Occurrences occur in respect of BRTV.

**4.10 What happens if the conditions of the Offer are breached or not fulfilled?**

If the Conditions are not satisfied or waived before Closing Date, the Offer will lapse and all contracts resulting from acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. You will continue to hold your BRTV Shares and are free to deal in your BRTV's Shares even if you had accepted the Offer.

**4.11 Is there an Independent Expert Report?**

No. There is no independent expert report as none is required by law. The BRTV Directors consider that BRTV Shareholders are able to decide whether or not to accept the Offer based on the merits of the Offer as presented in the Bidder's Statement and this Target's Statement.

**4.12 How do I accept the Offer?**

Details of how to accept the Offer are set out in section 14.6 of the Bidder's Statement and in the Acceptance Form accompanying the Bidder's Statement.

**4.13 How do I reject the Offer**

To reject the Offer, you should take no action.

**4.14 When does the Offer open?**

The Offer Period opens on 10 October 2014.

**4.15 When does the Offer close?**

The Offer period and will close at 7:00pm (Sydney Time) on 28 November 2014 unless withdrawn or extended in accordance with the Corporations Act.

**4.16 Can I accept the Offer for some, but not all, of my BRTV Shares?**

No. You cannot accept the Offer for part of your BRTV Shares. You can only accept the Offer for all of your BRTV Shares.

**4.17 Can I be forced to sell my BRTV Shares?**

You cannot be forced to sell your BRTV Shares unless Republic proceeds to compulsory acquisition. Republic will need to acquire at least 90% of BRTV's Shares in order to exercise its compulsory acquisition rights. In the event this occurs, you will then receive the same Offer Consideration as is payable under the Offer at that time.

**4.18 What happens if I accept my Offer now?**

If you accept the Offer while it is conditional and unless withdrawal rights are available (as set out below), you will give up your right to:

- (a) sell your BRTV Shares; and
- (b) otherwise deal with your BRTV Shares while the Offer remains open.

If you accept the Offer and it becomes Unconditional (whether by waiver or satisfaction of the Conditions), for every 100 BRTV Shares you own, you will receive 23.582 Republic Shares, together with one Republic Option for every ten (10) Republic Shares issued to you.

**4.19 If I accept the Offer, can I withdraw my acceptance?**

You can only withdraw your acceptance if Republic varies the Offer in a way that postpones the time when Republic is required to satisfy its obligations by more than one month.

**4.20 What if I do not accept the Offer?**

If you do not accept the Offer, you will retain your BRTV Shares and will not be entitled to receive any Offer Consideration. If the Offer becomes or is declared Unconditional but Republic does not become entitled to compulsorily acquire your BRTV Shares under the Corporations Act, unless you sell your BRTV Shares, you will remain a shareholder in BRTV. In that case, depending on the number of BRTV Shares acquired by Republic, you may be a minority BRTV Shareholder in what will be a less liquid stock as BRTV will not be listed on the ASX.

If Republic acquires a relevant interest in at least 90% of BRTV Shares by the end of the Offer Period and each other Condition is satisfied or waived, Republic has stated that it will proceed to compulsory acquisition of all BRTV Shares not yet acquired by Republic.

If this compulsory acquisition was to occur, all BRTV Shareholders who have not yet accepted the Offer, will be issued with the Offer Consideration on the same terms as BRTV Shareholders who have accepted the Offer.

**4.21 When will I receive my Offer Consideration?**

If you validly accept the Offer, Republic will issue you your Republic Shares and Republic Options as consideration for your BRTV Shares on or before the earlier of:

- (a) 21 days after the end of the Offer Period;
- (b) one month after the first day on which both of the following apply:
  - (i) this Takeover Offer has been validly accepted by you; and
  - (ii) the contract resulting from your acceptance of this Takeover Offer has become Unconditional.

**4.22 What are the tax implications of the Offer?**

A general summary of the Australian tax consequences for BRTV Shareholders who accept the Offer is set out in section 12 of the Bidder's Statement. This summary is expressed in general terms and the tax consequences of your participation in the Offer will depend on your individual circumstances. As such, you should obtain your own tax advice prior to making your decision whether to accept the Offer.

**4.23 How can I make further enquiries?**

Please contact Andrew Corner on [andy@bigreviewtv.com](mailto:andy@bigreviewtv.com) or +61 2 9453 2293.



## **5 Risks**

There are a number of factors which BRTV Shareholders should be aware of in making their decision in relation to the Offer. The BRTV Directors refer BRTV Shareholders to the risk factors set out in section 11 of the Bidder's Statement and the risks which are set out below.

### **5.1 Offer is conditional**

Republic's Offer is subject to the satisfaction or waiver of the Conditions, which as at the date of this Target's Statement, have not been satisfied or waived. The full terms of the Conditions are set out in section 14.13 of the Bidder's Statement. The Conditions must be either satisfied or waived by Republic before accepting BRTV Shareholders can receive the Offer Consideration under the Offer.

If you accept the Offer and any of those Conditions remain unsatisfied at the end of the Offer Period, and are not waived by Republic, there is no obligation on Republic to issue Republic Shares or Republic Options as consideration for your BRTV Shares. In the meantime, BRTV Shareholders who accept the conditional Offer will be unable to deal with their BRTV Shares or withdraw their acceptances).

### **5.2 Inability to accept a Superior Proposal**

A third party may emerge with a Superior Proposal. If you accept the Offer, you will not be able to accept your BRTV Shares into any Superior Proposal unless the Offer lapses or withdrawal rights are available to you due to extensions of the Offer Period. As at the date of this Target's Statement, the BRTV Directors are not aware of a current or anticipated Superior Proposal.

### **5.3 Dilution of your shareholding**

If you accept the Offer and the Offer becomes Unconditional, your interests in BRTV will be diluted and BRTV Shareholders will no longer hold 100% of the issued share capital of BRTV or control BRTV. If the Offer is completed, former BRTV Shareholders will hold approximately 72% of the Merged Group.

### **5.4 Risk of fluctuations in the Merged Group's share price**

Following Completion, the Merged Group will be listed on the ASX. Therefore, the Merged Group's share price may rise or fall based on ASX market conditions and the Merged Group's financial and operational performance. If the Merged Group's share price falls, the value of the Offer Consideration received by BRTV Shareholders who accept the Offer will decline in value. Accordingly, there is no guarantee that BRTV Shareholders will actually realise the implied value of the Offer to be received.

### **5.5 Risks in respect of BRTV's current operations**

All the business risks which currently affect BRTV and an investment in BRTV Shares will continue to affect BRTV, whether or not it becomes a subsidiary of Republic. A detailed list of these business risks are set out in section 11.5 of the Bidder's Statement.

### **5.6 Risks Relating to the Merged Group**

#### **(a) Less than 90% of BRTV Shareholders accept the Offer**

It is possible that Republic could acquire a Relevant Interest of less than 90% of all BRTV Shares on issue under the Offer. The existence of third party minority interests in BRTV Shares may have an impact on the operations of BRTV as BRTV would not, in those circumstances, be a wholly owned subsidiary of Republic. However, this impact will depend upon the ultimate level of Republic ownership in BRTV.

#### **(b) Reliance on Key Management**

The responsibility of overseeing the day-to-day operations and the strategic management of the Merged Group depends substantially on its senior management and directors. There can be no assurance that there will be no detrimental impact on the performance of

the Merged Group or its growth potential if one or more of these employees cease their employment and suitable replacements are not identified and engaged in a timely manner. The Merged Group does not have any present intention to obtain "key person" insurance for any member of its management.

(c) High volume of sales of Shares in Merged Group

If the Offer is Completed, Republic will have issued a significant number of new Republic Shares to various parties. Some of the BRTV Shareholders and others that receive Republic Shares as a result of the Offer may not intend to continue to hold those shares and may wish to sell them on ASX (subject to any applicable escrow period). There is a risk that an increase in the amount of people wanting to sell Shares may adversely impact on the market price of Republic's Shares.

There can be no assurance that there will be, or continue to be, an active market for Republic Shares issued to BRTV Shareholders under the Offer or that the price of those shares will increase. As a result, BRTV Shareholders may, upon selling their Republic Shares, receive a market price that is less than the price at the date of the Bidder's Statement.

(d) Economic Risks

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Merged Group's activities, as well as on its ability to fund those activities. Further, share market conditions may affect the value of the Company's securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) interest rates and inflation rates;
- (iii) currency fluctuations;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

(e) Additional Requirements for Capital

The capital requirements of the Merged Group depend on numerous factors. Depending on the ability of the Merged Group to generate income from its operations, the Merged Group may require further financing in addition to amounts raised under the Capital Raising. Any additional equity financing will dilute shareholdings, and debt financing, if available, may involve restrictions on financing and operating activities. If the Merged Group is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations.

(f) Litigation Risks

The Merged Group is exposed to possible litigation risks including contractual disputes, occupational health and safety claims and employee claims. Further, the Merged Group may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on the Merged Group's operations, financial performance and financial position. BRTV is not currently engaged in any litigation and a summary of the material litigation risks that are current or pending in relation to Republic are set out in section 11.4(c) of the Bidder's Statement.

(g) Risks relating to mining interests

Following completion of the Offer the Merged Group will continue to hold interests in mining exploration activities through Republic's investment in Auroch. This investment is



not consistent with the business activities to be conducted by the Merged Group and exposes BRTV Shareholders to additional risks that they would not have ordinarily been exposed to by virtue of holding BRTV Shares.

In particular, the Merged Group's investment in Auroch will be exposed to the following risks

- (i) geopolitical risks associated with operating in Mozambique including the potential for civil war, slow and cumbersome bureaucratic processes, risks on key staff operating in remote and or hostile locations. Mozambique has had a history of civil war and other small scale political disturbances, these disturbances may disrupt operations at any time for a short or long period. The risk of operating in such an environment may also make it harder for Republic to attract the appropriate staff to the operations;
- (ii) the risk associated with exploration and development generally including uncertainties around the amount and type of resource and reserves available on its various tenements or the discovery of additional resources;
- (iii) risks of causing environmental damage and the costs of any clean up and the liabilities associated therewith;
- (iv) construction and technology risk around the build of the necessary plant and specifically sizing of plant and the plant's adaptability to the ore types to be used in the process to produce gold;
- (v) the relatively low volume of shares traded in the company also increases the volatility in share price performance; and
- (vi) the uncertain nature of the price of gold and the impact on its underlying projects being able to raise capital.

In addition, Republic will hold options in Auroch as part consideration received for the sale of ASMoz. These options may have some or nil value depending on the value of the underlying Auroch shares and the time to expiry.

## **6 Your choice as a BRTV**

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

### **6.1 Accept the Offer**

BRTV Shareholders may elect to accept the Offer.

Section 14.6 of the Bidder's Statement contains details of how to accept the Offer.

Details of the Offer Consideration that will be received by BRTV Shareholders who accept the Offer are set out in section 1 of this Target's Statement and in section 14.1 the Bidder's Statement.

### **6.2 Sell Your BRTV Shares**

BRTV Shareholders who have not already accepted or agreed to accept the Offer can attempt to sell their BRTV Shares. However, the BRTV Directors note that as BRTV is not listed, there is no liquid market for BRTV Shares and it may be difficult to sell their BRTV Shares.

The BRTV Directors also note that, BRTV Shareholders who sell their BRTV Shares may be liable for capital gains tax on the sale.

### **6.3 Reject the Offer**

If you wish to reject the Offer, no action is required. If Republic and its associates have a Relevant Interest in at least 90% of the BRTV Shares during or at the end of the Offer Period and all other Conditions are satisfied, Republic will be entitled to compulsorily acquire any BRTV Shares that it does not already own.

If the Offer becomes or is declared Unconditional but Republic does not become entitled to compulsorily acquire your BRTV Shares under the Corporations Act, unless you sell your BRTV Shares, you will remain a minority BRTV Shareholder.

### **6.4 Director's recommendation**

The BRTV Directors unanimously recommend that you **ACCEPT** the Offer (in the absence of a Superior Proposal). A summary of the key reasons the BRTV Directors have recommended acceptance of the Offer (in the absence of a Superior Proposal) is set out in section 2.4 of this Target's Statement.



## **7 Important information for BRTV Shareholders to consider**

### **7.1 The Offer**

On 9 October 2014, Republic announced to ASX its intention to make an off-market takeover bid for all of the ordinary shares in BRTV pursuant to Part 6.5, Division 2 of the Corporations Act.

On 9 October 2014, Republic lodged a Bidder's Statement with ASIC and intends to send the Bidder's Statement to BRTV Shareholders on 9 October 2014. Section 14 of the Bidder's Statement contains the full terms of the Offer and the Conditions, together with other material information, and you should carefully read the Bidder's Statement in conjunction with this Target's Statement.

Once you have accepted the Offer, you will be prevented from participating in a Superior Proposal (should one eventuate), unless the limited circumstances for withdrawal of your acceptance apply. As at the date of this Target's Statement, the BRTV Directors are not aware of any such Superior Proposal.

The BRTV Directors will continue to assess any opportunities that may arise to obtain a Superior Proposal for your BRTV Shares and deal with any such opportunities in a manner consistent with their statutory and fiduciary duties.

### **7.2 Information in relation to Republic**

Republic was admitted to the Official List of ASX on 16 January 2004 as a gold exploration company with interests in gold exploration licences in Mozambique held through its wholly owned subsidiary, ASMoz.

In March 2014, Republic announced that following a strategic business review in response to the prevailing capital markets and operational environment it would cease operating as an explorer for gold in Mozambique through its wholly-owned subsidiary, ASMoz.

In June 2014 Republic announced that it had entered into a binding agreement with Auroch under which Republic agreed to sell all of its interest in ASMoz to Auroch in exchange for ordinary shares and options to acquire ordinary shares in the capital of Auroch (**ASMoz Transaction**). Auroch is a company listed for trading on the ASX under the symbol "AOU" and is engaged in the exploration of the Manica gold project in Mozambique.

Republic was required to seek shareholder approval to the proposed transaction with Auroch under ASX Listing Rule 11.2 (which provides that an entity must seek the approval of its shareholders before disposing of its main undertaking). If completed, the sale by the Company of its interest in ASMoz will result in a disposal of Republic's main undertaking. Accordingly, on 27 August 2014, Republic dispatched a Notice of Meeting and Explanatory Statement to the Republic Shareholders to approve the sale of ASMoz and the matters set out above. On 29 September 2014, Republic Shareholders approved the sale by Republic of ASMoz and the transactions contemplated under the Quota Sale and Purchase Agreement. Hence, Republic's principal business activities should the final conditions precedent of the transaction be met will be a pool of cash of approximately \$1.7 million and an investment in Auroch, an ASX listed company involved in mineral exploration and development predominantly in Africa.

The key outstanding condition precedent is the registration of the transfer of Quotas from Republic to Auroch. On 2 October 2014 the parties under the Quota Sale and Purchase Agreement executed a side deed to the agreement to extend the time for satisfaction of the conditions precedent to 30 June 2015. Should that final registration of the transfer not be met and the transaction not proceed then Republic's business activities would continue to be its investment in ASMoz. ASMoz is a non operating company and is the registered holder of three exploration licences in Mozambique, together with certain other licences pending or under application by ASMoz. At that time the Republic Board may decide to otherwise dispose of the assets or return the licences to the Mozambican Government.

Further information on Republic is contained in section 3 of the Bidder's Statement and is available on Republic's website ([www.republicgold.com.au](http://www.republicgold.com.au)).

### 7.3 **Minority Ownership Consequences**

One of the Conditions is that Republic receives valid acceptances under its Offer in respect at least 80% of the fully diluted share capital of BRTV.

If the Offer becomes or is declared Unconditional but Republic does not become entitled to compulsorily acquire your BRTV Shares under the Corporations Act (that is holds at least 90% of the capital of BRTV), unless you sell your BRTV Shares, you will remain a shareholder in BRTV. In that case, depending on the number of BRTV Shares acquired by Republic, you may be a minority BRTV Shareholder in what will be a less liquid stock as BRTV will not be listed on the ASX.

### 7.4 **Other alternatives to the Offer**

As at the date of this Target's Statement, no Superior Proposal has emerged. BRTV is prevented from soliciting alternative offers or proposals, or responding and negotiating with respect to a competing proposal for the BRTV Shares. However, these restrictions do not in any way prevent or restrict a third party from putting forward a Superior Proposal. Further, these restrictions do not apply where the Board, acting in good faith and having obtained advice from its legal and financial advisors, reasonably determines that a competing proposal is a Superior Proposal and that failing to respond would be likely to constitute a breach of its statutory or fiduciary duties.



## **8 Information regarding BRTV**

### **8.1 BRTV Capital Structure**

BRTV currently has 139,750,201 ordinary shares on issue.

There are no convertible securities in BRTV on issue.

### **8.2 BRTV Directors' Interests in BRTV Shares**

As at the date of this Target's Statement, each BRTV Director and his associates held a Relevant Interest in BRTV Shares as follows:

Director	Number of Shares	Percentage
Brandon Evertz	35,302,805	25.3%
Ben Hunter	11,978,615	8.6%
Sonia Thurston	11,837,826	8.5%
Total	59,119,246	42.3%

### **8.3 BRTV Directors' Dealings in BRTV Shares**

No BRTV Director has acquired or disposed of a Relevant Interest in any BRTV Securities in the 4 month period ending on the date immediately before the date of this Target's Statement

### **8.4 BRTV's and BRTV Directors' Interests in Republic Shares**

BRTV does not hold any interest in Republic Shares. Similarly, none of the BRTV Directors hold any interest Relevant Interest in Republic Shares or any Related Body Corporate of Republic.

No BRTV Director has acquired or disposed of a Relevant Interest in Republic Shares in the 4 month period ending on the date immediately before the date of this Target's Statement.

### **8.5 BRTV Loan Agreement**

On 8 October 2014, Republic entered into the BRTV Loan Agreement under which it agreed to loan BRTV \$250,000 for general working capital purposes. The BRTV Loan Agreement also provides for a further \$200,000 to be provided by Republic on or after 17 November 2014 if required by BRTV.

Full details of the BRTV Loan Agreement are set out in section 3.13 of the Bidder's Statement.

None of the Republic directors holds any BRTV Shares at the date of this Target's Statement.

### **8.6 Merged Group - Completion**

Upon Completion, existing BRTV Shareholders will become the effective owners of the Merged Group. Subject to satisfaction of the Conditions and Completion, the Merged Group will be entirely focussed on the business activities currently undertaken by BRTV.

BRTV Shareholders must note that until completion of the ASMoz Transaction the Merged Group will continue to hold its interests in ASMoz. Details of the ASMoz Transaction and proposal if the ASMoz Transaction does not complete are contained in section 3.3 of the Bidder's Statement.

### **8.7 Intentions regarding BRTV upon Completion**

Republic has stated, on the basis of the information concerning BRTV which is known to Republic at the date of the Bidder's Statement, that following Completion subject to the changes and intentions set out in:

- (a) the business of BRTV will otherwise be continued in substantially the same manner as it is presently being conducted;
- (b) no other major changes will be made to the business of BRTV or the deployment of BRTV's assets; and
- (c) the present employees of BRTV will otherwise continue to be employed by BRTV.

#### **8.8 Merged Group - Financial Information**

Refer to sections 6.3 of the Bidder's Statement which contain pro forma financial information about the Merged Group upon Completion.

#### **8.9 Benefits and Agreements**

- (a) Benefits in connection with retirement from office

As a result of the Offer, no person has been or will be given any benefit (other than a benefit which can be given without shareholder approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of BRTV or a Related Body Corporate of BRTV.

- (b) Agreements connected with or conditional on the Offer

There are no agreements made between any BRTV 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 BRTV Shares.

Notwithstanding, it has been agreed between BRTV and Republic that Andrew Corner, Richard Evertz and Sonia Thurston have been nominated for appointment to the Republic Board (and therefore the Merged Group) with effect upon successful Completion.

The proposed annual remuneration of that each of them will receive for holding this office is set out in section 13.4 of the Bidder's Statement. At the date of this Target's Statement no service or other agreements have been entered into in respect to these arrangements.

- (c) Benefits from Republic

None of the BRTV Directors have agreed to receive, or are entitled to receive, any benefit from Republic which is conditional on, or is related to, the Offer, other than in their capacity as a holder of BRTV Shares.

- (d) Employment Agreements with key BRTV employees

The key employees of BRTV are currently employed under contract or as an employee by BRTV. Following Completion it is anticipated that all will be moved to employment contracts with BRTV. The material terms of such employment contracts are set out in section 4.16 and 13.4 of the Bidder's Statement.

#### **8.10 Interests of BRTV Directors in contracts with Republic**

None of the BRTV Directors have any interest in any contract entered into by Republic, other than as noted in paragraph 8.9(b).

#### **8.11 Forecast financial information for BRTV**

BRTV has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information. The BRTV Directors have concluded that, as at the date of this Target's Statement, it would be misleading to provide forecast financial information for BRTV as a reasonable basis does not exist for providing forecasts that would be sufficiently meaningful and reliable as required by applicable laws.

**8.12 BRTV Intellectual Property and Material Contracts**

Please refer to section 4 of the Bidder's Statement for information relating to BRTV's intellectual property and material contracts.



## 9 Additional Information

### 9.1 Consents

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

- (a) be named in this Target's Statement in the form and context in which they are named;
- (b) 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
- (c) 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	Named as
Thomson Geer	Legal advisor
Corpac Partners Pty Ltd	Corporate advisor

Each of the above persons:

- (a) 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
- (b) 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 with the person's consent.

As permitted by ASIC Class Order 13/521, this Target's Statement contains statements which are made, or based on statements made, in documents lodged by Republic with ASIC or given to ASX by Republic. Pursuant to the Class Order, the consent of Republic is not required for the inclusion of such statements in this Target's Statement. Any BRTV Shareholder who would like to receive a copy of any of those documents may obtain a copy (free of charge) during the Offer Period by contacting Andrew Corner on [andy@bigreviewtv.com](mailto:andy@bigreviewtv.com) or +61 2 9453 2293.

As permitted by ASIC Class Order 13/523, this Target's Statement may include or be accompanied by certain statements:

- (c) fairly representing a statement by an official person; or
- (d) from a public official document or a published book, journal or comparable publication.

### 9.2 No other material information

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

- (a) 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;
- (b) only if the information is known to any BRTV Director.

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

- (a) the information contained in the Bidder's Statement (to the extent that the information is not inconsistent or superseded by information in this Target's Statement);

- (b) the information contained in the documents lodged by BRTV with ASIC before the date of this Target's Statement; and
- (c) the information contained in this Target's Statement.

The BRTV Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the BRTV Directors do not take any responsibility for the contents of the 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 BRTV Directors have had regard to:

- (d) the nature of the BRTV Shares;
- (e) the matters that BRTV Shareholders may reasonably be expected to know;
- (f) the fact that certain matters may reasonably be expected to be known to BRTV Shareholders professional advisors; and
- (g) the time available to BRTV to prepare this Target's Statement.

## **10 Glossary**

### **10.1 Definitions**

The meanings of the terms used in this Target's Statement are set out below.

**\$, A\$ or AUD** means Australian dollars.

**Acceptance Form** has the meaning given to it in the Bidder's Statement.

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

**ASMoz** means African Stellar Mozambique Limitada.

**ASMoz Transaction** has the meaning set out in section 7.2.

**ASX** means ASX Limited ACN 008 624 691 or the Australian Securities Exchange operated by ASX Limited, as the context requires.

**ASX Listing Rules** means the official listing rules of ASX, as amended from time to time.

**Auroch** means Auroch Minerals NL ACN 148 966 545.

**Bidder** means Republic Gold Limited ACN 102 399 311.

**Bidder's Statement** means the bidder's statement of Republic dated 9 October 2014.

**Board** means the board of directors of BRTV.

**BRTV or the Company** means Big Review TV Limited ACN 164 025 129.

**BRTV Director** means a director of BRTV.

**BRTV Loan Agreement** has the meaning set out in section 8.5.

**BRTV Share** or **Shares** means fully paid ordinary shares of BRTV.

**BRTV Shareholders** means the shareholders of BRTV.

**Business Day** means a day that is not a Saturday, Sunday or any other day which is a public holiday or bank holiday in New South Wales, Australia.

**Capital Raising** means the raising to be undertaken by Republic pursuant to the Prospectus to raise a minimum of \$1,000,000 in connection with its application for re-admission to the ASX.

**Closing Date** means the closing date of the Offer.

**Completion** means Republic's acquisition of all issued BRTV Shares pursuant to the Offer.

**Conditions** means the conditions of the Offer as detailed in section 14.13 of the Bidder's Statement.

**Consolidation** means the consolidation of Republic's share capital approved by the Republic Shareholders at the Republic Shareholder Meeting, on a 30:1 basis, such that every 30 pre Consolidation Republic Shares are consolidated into one post Consolidation Republic Share.

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

**Essential Resolutions** mean all resolutions being put to Republic shareholders at the General Meeting, other than the resolution to change the name of Republic to Big Un Limited.

**Expiry Date** has the meaning set out in section 3.4 of this Target Statement.

**General Meeting** means the meeting of Republic shareholders to be held on or about 17 November 2014.



**Merged Group** means Big Un Limited (or such other name as determined by the BRTV Directors), which on Completion will be an ASX Listed company (following the name change from Republic Limited) and have as its wholly owned subsidiary BRTV.

**Notice of Meeting** means the Notice of Meeting to be issued by Republic to Republic Shareholders on or about 17 October 2014.

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

**Offer** means the off market Offer by Republic to acquire all BRTV Shares in consideration for 23.582 Republic Shares, together with one Republic Option for every ten (10) Republic Share issued, for every 100 BRTV Shares held (on a post Consolidation basis), on the terms and conditions set out in the Bidder's Statement and this Target's Statement.

**Offer Consideration** means 23.582 Republic Shares, together with one Republic Option for every ten Republic Shares issued, as consideration for every 100 BRTV Shares held (on a post Consolidation basis).

**Offer Period** means the period during which the Offer will remain open for acceptance in accordance with the Bidder's Statement.

**Prescribed Occurrence** means those occurrences listed in section 652C of the Corporations Act.

**Prospectus** means the prospectus proposed to be prepared by Republic and lodged with ASIC in accordance with Chapter 6D of the Corporations Act shortly after the date of the Bidder's Statement, pursuant to which an offer by Republic of Republic Shares at an issue price of no less than \$0.20 per Republic Share (on a post Consolidation basis) is to be made in respect of the Capital Raising.

**Re-admission** means Republic's re-admission to the official list of ASX following its application for readmission under Chapters 1 & 2 of the ASX Listing Rules.

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

**Related Bodies Corporate** has the meaning given to it in section 50 of the Corporations Act.

**Republic** means Republic Limited ACN 102 399 311.

**Republic Board** the board of directors of Republic.

**Republic Director** means a director of Republic.

**Republic Option** means an option to acquire one Republic Share at a at an exercise price of \$0.30 issued under the Prospectus expiring at 4:00pm on 31 December 2017.

**Republic Shares** means fully paid ordinary shares of Republic.

**Republic Superior Proposal** a proposal or offer by any person with respect to any transaction (by purchase, scheme of arrangement, takeover bid or otherwise) that may result in (or group of persons) other than Republic, directly or indirectly:

- (a) acquiring voting power of more than 50% of BRTV;
- (b) acquiring an interest in all or a substantial part of the assets of or business of BRTV;
- (c) otherwise acquiring control of BRTV (within the meaning of section 50AA of the Corporations Act or otherwise); or
- (d) merging or amalgamating with BRTV or any subsidiary of BRTV,

that the Board has determined, in good faith, after consultation with their external legal and financial advisers, is:

- (a) reasonably capable of being valued and completed, taking into account all aspects of the proposal or offer (including accounting, legal, financial, and regulatory aspects) and the person making the proposal or offer; and
- (b) if consummated in accordance with its terms, more favourable to BRTV Shareholders (as a whole) than the Offer, taking into account all the terms and conditions of the proposal or offer.

**Target's Statement** means this document, including attachments, being the statement of BRTV under Part 6.5 Division 3 of the Corporations Act.

**Transaction** means the acquisition by Republic of all the BRTV Shares under the Offer, and its associated transactions.

**Unconditional** in relation to the Offer, means that all Conditions have been fulfilled or, if able to be waived, have been waived by Republic.

## 10.2 Interpretation

In this Target's Statement a reference to:

- (a) the singular includes the plural and the plural includes the singular;
- (b) any contract (including this agreement) or other instrument includes any variation or replacement of it and as it may be assigned or novated;
- (c) a statute, ordinance, code or other law includes subordinate legislation (including regulations) and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (d) a person or entity includes an individual, a firm, a body corporate, a trust, an unincorporated association or an authority;
- (e) a person includes their legal personal representatives (including executors), administrators, successors, substitutes (including by way of novation) and permitted assigns;
- (f) a group of persons is a reference to any two or more of them taken together and to each of them individually;
- (g) an entity which has been reconstituted or merged means the body as reconstituted or merged, and to an entity which has ceased to exist where its functions have been substantially taken over by another body, means that other body; and
- (h) a reference to a day or a month means a calendar day or calendar month.

**11 Authorisation**

This Target's Statement has been approved by a resolution passed by the BRTV Directors. All of the BRTV Directors voted in favour of that resolution.

Signed for and on behalf of BRTV:

A handwritten signature in black ink, appearing to be 'STH', with a long horizontal stroke extending to the right.

Name: Sonia Thurston

Position: Director

Date: 9 October 2014

Corporate Directory

**Directors**

Brandon Evertz

Ben Hunter

Sonia Thurston

**Registered Office**

Level 3, 10 Tilley Lane, Frenchs Forest NSW 2086

**Legal Advisers**

Thomson Geer

Level 25, 1 O'Connell Street, Sydney NSW 2000

**Corporate Advisers**

Corpac Partners Pty Ltd

Level 33, 1 Macquarie Place, Sydney, NSW 2000

**Website**

[www.bigreviewtv.com](http://www.bigreviewtv.com)