

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Xanadu Mines Limited (**Xanadu**)
ACN 114 249 026

1. Details of substantial holder (1)

Name Bastion Mining Pte. Ltd. (UEN 202512367N) (**Bastion**)

ACN/ARSN/APFRN (if applicable) N/A

The holder became a substantial holder on 26/05/2025

Bastion is required to give this notice under section 671B(1)(a) of the Corporations Act as it has acquired a substantial holding in Xanadu pursuant to the agreement provided as Annexure A and under section 671B(1)(c) of the Corporations Act as it is making as it is making a takeover bid for Xanadu

2. Details of voting power

The total number of votes attached to all the voting shares or interests in the company, scheme or fund that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Full paid ordinary shares in Xanadu (Shares)	286,829,633	286,829,633	12.52% (based on 2,291,211,189 Shares on issue) (see section 3 below)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Bastion	Relevant interest under section 608(1)(a) of the <i>Corporations Act 2001</i> (Cth) (Corporations Act), being a relevant interest arising through being the registered holder of the Shares.	286,829,633 Shares

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Bastion	Bastion	Bastion	286,829,633 Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Bastion	26/05/2025	\$17,209,777.98 in aggregate, being \$0.06 per Share pursuant to the Subscription Agreement dated 19 May 2025 between Bastion and Xanadu, a copy of which is provided as Annexure A to this Form 603 in accordance with section 671B(4) of the Corporations Act.	286,829,633 Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:


Name	Nature of association
N/A	N/A

7. Addresses

The addresses of persons named in this form are as follows:


Name	Address
Bastion	9 Straits View, #05-09, Marina One West Tower, Singapore 018937.

Signature

print name	Tan Ling Kwok, Philip	capacity	Sole Director of Bastion
sign here		date	28/05/2025

Annexure "A" to Form 603

This is Annexure "A" of 18 pages referred to in the Form 603 (Notice of Initial Substantial Holder) dated 28 May 2025. This Annexure contains a true copy of the original agreement provided pursuant to section 671B(4) of the *Corporations Act 2001* (Cth) (commencing on the following page).

<hr/>	
Signature	
print name: Tan Ling Kwok, Philip	capacity: Sole Director of Bastion
sign here 	date 28 May 2025
<hr/>	



Xanadu Mines Ltd
Bastion Mining Pte. Ltd.

Subscription Agreement

Execution Version

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This Agreement is made on

Parties

- 1 **Xanadu Mines Ltd** (ACN 114 249 026) of Level 12, 680 George Street, Sydney, NSW 2000 (the **Issuer**).
- 2 **Bastion Mining Pte. Ltd.** (UEN 202512367N) incorporated in Singapore of 9 Straits View, #05-09, Marina West Tower, Singapore 018937 (the **Subscriber**).

Recitals

- A The Subscriber has agreed to subscribe for, and the Issuer has agreed to issue, the Subscription Shares on the terms of this Agreement.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

ASX means ASX Limited (ACN 008 624 691).

ASX Listing Rules means the official listing rules of ASX.

Bid Implementation Agreement means the agreement between, the Issuer, the Subscriber and Mr Ganbayar Lkhagvasuren on or around the date of this agreement.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Sydney, Australia.

Cleansing Prospectus means a prospectus issued in accordance with section 708A(11) of the Corporations Act.

Cleansing Statement means a notice issued in accordance with section 708A(5)(e) of the Corporations Act.

Competing Proposal has the meaning given in the Bid Implementation Agreement.

Constitution means the constitution of the Issuer.

Corporations Act means the *Corporations Act 2001* (Cth).

Estimated Use of Funds Letter means the letter provided by the Issuer to the Subscriber in respect of the Subscription Amount on or about 14 May 2025.

Existing Options means the 92,184,000 options granted by the Issuer as at the Signing Date which, if exercised, will result in the issued capital of the Issuer being 92,184,000 ordinary shares.

Governmental Agency means any:

- (a) government or governmental, semi governmental or judicial entity or authority; or
- (b) minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government.

It also includes any regulatory organisation established under statute or any stock exchange.

Independent Issuer Director means a director of the Issuer other than:

- (a) Mr Ganbayar Lkhagvasuren; and
- (b) Mr Shaoyang Shen.

Issuer Bank Account means:



Issuer Shares means fully paid ordinary shares in the Issuer.

Issuer Termination Event has the meaning given to that term in clause 7.2.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Settlement means the subscription and issue of the Subscription Shares.

Settlement Date means the date which is 7 days after the date of the Bid Implementation Agreement or, if that date is not a Business Day, the date which is the immediate following Business Day.

Signing Date means the date on which this Agreement is executed by both parties.

Specified Clauses means clauses 1, 2, 4.3, and 9.

Subscriber Termination Event has the meaning given to that term in clause 7.1.

Subscription Amount means \$17,209,777.98, being the amount calculated by multiplying the number of Subscription Shares by the Subscription Price.

Subscription Price means an amount in Australian dollars equal to the number of Subscription Shares multiplied by A\$0.06.

Subscription Shares means 286,829,633 Issuer Shares.

Superior Proposal has the meaning given in the Bid Implementation Agreement.

TSX means TSX Inc., and its affiliates, authorized agents, subsidiaries and divisions, including the Toronto Stock Exchange.

1.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- (c) The following rules apply unless the context requires otherwise.
 - (i) The singular includes the plural, and the converse also applies.
 - (ii) A gender includes all genders.
 - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iv) A reference to a *person* includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (v) A reference to a clause or Schedule is a reference to a clause of, or Schedule to, this Agreement.
 - (vi) A reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Agreement or that other agreement or document, and includes the recitals, and Schedules to that agreement or document.

- (vii) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.
- (viii) A reference to a party to this Agreement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (ix) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (x) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (xi) A reference to a *right* or *obligation* of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
- (xii) A reference to a day means a day in the jurisdiction where the relevant obligation is to be performed.

1.3 Statements on the basis of knowledge or belief

Any statement made by a party on the basis of its knowledge and belief or awareness is made on the basis that the party has, in order to establish that the statement is true and not misleading in any respect:

- (a) made all reasonable inquiries of the officers, managers, employees and other persons with responsibility for the matters to which the statement relates; and
- (b) if those inquiries would have prompted a reasonable person to make further inquiries, made those further inquiries,

and that, as a result of those inquiries, the party has no reason to doubt that the statement is true and not misleading in any respect.

2 Agreement to Subscribe

2.1 Subscription

The Subscriber will subscribe, and the Issuer will issue to the Subscriber, the Subscription Shares on the Settlement Date for the Subscription Price.

2.2 Agreement to serve as application

This Agreement serves as an application by the Subscriber for the allotment of the Subscription Shares on the Settlement Date and accordingly it will not be necessary for the Subscriber to provide a separate (additional) application on or prior to the Settlement Date. The Subscriber agrees to be bound by the Constitution of the Issuer upon the issue of the Subscription Securities.

2.3 Acknowledgement

The Issuer and the Subscriber each acknowledge and agree that as at the Settlement Date, the Subscription Shares are not being issued by the Issuer with the purpose of the Subscriber selling or transferring, or otherwise issuing or transferring interests in or options over, the Subscription Shares.

2.4 Estimated Use of funds

The Issuer agrees to apply the Subscription Amount towards the Issuer's selling, general, and administrative expenses, Mongolian operations, the Kharmagtai joint venture, transaction costs, working capital and ancillary purposes, and in a manner that is otherwise broadly consistent with the Estimated Use of Funds Letter provided to the Subscriber prior to the date of this agreement.

3 Rights Attaching to Subscription Shares

The Subscription Shares will rank equally in all respects with the existing ordinary shares of the Issuer on issue when the Subscription Shares are issued.

4 Undertakings**4.1 The Issuer's undertakings**

- (a) The Issuer must give prompt written notice to the Subscriber of the receipt of any proposal for a Competing Proposal prior to the Settlement Date in accordance with the terms of the Bid Implementation Agreement.
- (b) By 5.00pm on the day immediately prior to the Settlement Date, the Issuer must deliver to the Subscriber a certificate confirming the representations and warranties made by the Issuer pursuant to clause 6.1 are true, accurate and correct and not misleading by reason of any omission or otherwise and there has been no breach of them;
- (c) On the Settlement Date, the Issuer must:
 - (i) issue the Subscription Shares to the Subscriber (or its nominee), free from all encumbrances; and
 - (ii) register the Subscriber (or its nominee) as the holder of the Subscription Shares in the relevant register of the Issuer.
- (d) As soon as reasonably practicable and, in any event, within two Business Days following the Settlement Date, the Issuer must:
 - (i) apply for, and take all steps necessary to obtain, Official Quotation of the Subscription Shares on ASX;
 - (ii) deliver, or procure the delivery, to the Subscriber of a holding statement for the Subscription Shares; and
 - (iii) lodge a Cleansing Statement with ASX in respect of the Subscription Shares or, if such Cleansing Statement cannot be provided, lodge with ASIC and ASX a Cleansing Prospectus no later than 15 Business Days after the Settlement Date.
- (e) The Issuer must:
 - (i) use all reasonable efforts to take, or cause to be taken, all other action and do, or cause to be done, all other things necessary or appropriate to consummate the transactions contemplated by this Agreement; and
 - (ii) immediately notify the Subscriber if at any time before the Settlement Date the Issuer becomes aware of any third party objecting to, challenging, interfering with or obstructing (or proposing to object to, challenge interfere with or obstruct) any of the transactions contemplated by this Agreement.

4.2 The Subscriber's undertakings

- (a) The Subscriber must pay, or cause to be paid, the Subscription Price to the Issuer in Australian dollars in immediately available funds on the Settlement Date to the Issuer Bank Account.
- (b) The Subscriber will use all reasonable efforts to co-operate with the Issuer and its representatives in:
 - (i) preparing all documents to be lodged by the Issuer with ASX in connection with the execution, delivery and performance of this Agreement and the transactions contemplated by it; and
 - (ii) timely lodgement of all such documents.
- (c) The Subscriber will use all reasonable efforts to take, or cause to be taken, all other action and do, or cause to be done, all other things necessary or appropriate to consummate the transactions contemplated by this Agreement.
- (d) The Subscriber will, if required, submit a personal information form to the TSX.

4.3 Settlement simultaneous

The actions of the Issuer and the Subscriber to take place at on the Settlement Date are interdependent and must take place, as nearly as possible, simultaneously. If one action does not take place, then without prejudice to any rights available to any party as a consequence:

- (a) there is no obligation on any party to undertake or perform any of the other actions; and
- (b) to the extent that such actions have already been undertaken, the parties must do everything reasonably required to reverse those actions; and
- (c) each party must return to the other party all documents or payments delivered to it under this clause 4, without prejudice to any other rights any party may have in respect of that failure.

5 Confidentiality and Public Announcements

- (a) Clause 6 of the Bid Implementation Agreement will apply to this Agreement as if set out in full with such contextual adjustments as may be required.
- (b) The parties acknowledge and agree that the Subscriber is permitted to attach a copy of this agreement to any substantial holding notice in relation to the Issuer under Part 6C.1 of the Corporations Act.

6 Representations and Warranties

6.1 Representations and Warranties by the Issuer

The Issuer represents and warrants to the Subscriber that each of the following statements is true, accurate and not misleading as at each of the Signing Date and the Settlement Date:

- (a) **(status)** It is a body corporate validly existing under the laws of its place of incorporation or establishment.
- (b) **(corporate power)** It has the corporate power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement.
- (c) **(corporate action)** It has taken all necessary corporate action to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement. On the Settlement Date, full beneficial title in the Subscription Shares will vest in the Subscriber.

- (d) **(accuracy and completeness)** All information relating to the Issuer and the business carried out by the Issuer as at the date of this Agreement and provided to the Subscriber or its advisers in connection with the proposed investment by the Subscriber in the Issuer as contemplated by this Agreement, and all information publicly disclosed by the Issuer, is true in all material respects and is not by omission or otherwise misleading in any material respect. Nothing has occurred which renders any of the material which has been disclosed to the Subscriber or its advisers, or which has been publicly disclosed by the Issuer, inaccurate in any material respect.
- (e) **(disclosure compliance)** It has complied with all its disclosure requirements under the Corporations Act and the ASX Listing Rules and there is no material information or circumstance which the Issuer is not obliged to notify ASX about, pursuant to Listing Rule 3.1.
- (f) **(binding obligation)** This Agreement is its valid and binding obligation.
- (g) **(no contravention)** Neither the entry into nor performance by it of this Agreement nor any transaction contemplated under this Agreement violates in any material respect any provision of any judgment binding on it, its constituent documents, any law or any document, agreement or other arrangement binding on it or its assets.
- (h) **(consents/approvals)** Except for the admission of the Subscription Shares to the Official List of ASX, no consent, approval, authorisation, order, registration or qualification of or with any Governmental Agency or any other person is required for the Issuer to perform its obligations under this Agreement.
- (i) **(capitalisation)** As at the Settlement Date, prior to the Issuer issuing the Subscription Shares to the Subscriber, the issued capital of the Issuer is 1,912,197,556 ordinary shares. The Issuer has also granted the Existing Options. As at the Signing Date and the Settlement Date, the Issuer has no outstanding obligations or intent to issue, redeem or cancel any shares or options in the Issuer, and there exist no rights to acquire capital or voting rights in the Issuer other than this Agreement and the Existing Options.

The representations and warranties by the Issuer in this clause 6.1 are continuing obligations of the Issuer and survive the issue of the Subscription Shares and do not merge on the Settlement Date.

6.2 Representations and Warranties by the Subscriber

The Subscriber represents and warrants to the Issuer that each of the following statements is true, accurate and not misleading as at each of the Signing Date and the Settlement Date:

- (a) **(status)** It is a body corporate validly existing under the laws of its place of incorporation or establishment.
- (b) **(corporate power)** It has the corporate power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement.
- (c) **(corporate action)** It has taken all necessary corporate action to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement.
- (d) **(binding obligation)** This Agreement is its valid and binding obligation.
- (e) **(no contravention)** Neither the entry into nor performance by it of this Agreement nor any transaction contemplated under this Agreement violates in any material respect any provision of any judgment binding on it, its constituent documents, any law or any document, agreement or other arrangement binding on it or its assets.

- (f) **(Sophisticated or Professional Investor)** It is an investor to whom such a offer can be made without disclosure under section 708 of the Corporations Act.
- (g) **(consents/approvals)** No consent, approval, authorisation, order, registration or qualification of or with any Governmental Agency or any other person is required for the Subscriber to perform its obligations under this Agreement.
- (h) **(No breach of Chapter 6)** The issue of the Subscription Shares to the Subscriber will not result in the Subscriber acquiring a Relevant Interest in Issuer Shares in breach of Chapter 6 of the Corporations Act.

7 Termination

7.1 Termination by the Subscriber

The Subscriber's obligation to subscribe for the Subscription Shares is conditional on and subject to none of the following events (each, a **Subscriber Termination Event**) occurring prior to the Settlement Date (and such Subscriber Termination Event not being waived by the Subscriber):

- (a) any of the representations or warranties made by the Issuer to the Subscriber cease to be true, accurate and correct and not misleading by reason of any omission or otherwise;
- (b) the Issuer fails to provide the Subscriber with the certificate required under, and by the time specified in, clause 4.1(b) of this Agreement;
- (c) a Governmental Agency or other person (including ASX) notifies either party that it considers it has reason to, or intends to, challenge any of the transactions contemplated by this Agreement, or any of the parties' obligations under this Agreement and the Subscriber (acting reasonably) considers that the challenge will, or is likely to, be successful and materially adversely impact any of the transactions contemplated by this Agreement, or any of the parties' obligations under this Agreement;
- (d) if the Issuer receives a Competing Proposal prior to the Settlement Date and the Issuer has failed either to:
 - (i) provide notice to the Subscriber in accordance with the Bid Implementation Agreement that the Independent Issuer Directors have determined that the Competing Proposal does not constitute a Superior Proposal; or
 - (ii) publicly terminate engagement with the proponent of the Competing Proposal or otherwise failed to recommend that shareholders of the Issuer reject the Competing Proposal.

The Subscriber may, at its election, terminate its obligations under this Agreement (other than the Specified Clauses) at any time prior to the issue of any Subscription Shares by notice to the Issuer upon the occurrence of any of the above Subscriber Termination Events.

7.2 Termination by the Issuer

The Issuer may terminate its obligations under this Agreement (other than the Specified Clauses) any time prior to the issue of any Subscription Shares by notice to the Subscriber if:

- (a) the Issuer is in any way prevented by any regulatory authority from proceeding, with the issue of the Subscription Shares; or
- (b) the Subscriber is placed into insolvency, an order for the winding up of the Subscriber has been made or threatened, the Subscriber has been placed into administration or the Issuer's issue of the Subscription Shares would be a breach of any applicable law, regulation or ordinance,

(each, an **Issuer Termination Event**). Notice of any such termination by the Issuer must be provided to the Subscriber in and set out reasonable details of the relevant Issuer Termination Event.

7.3 Automatic termination

This agreement shall automatically terminate upon termination of the Bid Implementation Agreement.

8 Collection of Personal Information

8.1 Collection of Personal Information – General

The Subscriber, on its own behalf and on behalf of any beneficial purchaser for whom it is acting, acknowledges and consents to the fact that the Issuer is collecting personal information (as that term is defined under applicable privacy legislation including, without limitation, the *Personal Information Protection and Electronic Documents Act (Canada)* and any other applicable, similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time) of the Subscriber and any beneficial purchaser for whom the Subscriber is acting. The Subscriber, on its own behalf and on behalf of any beneficial purchaser for whom it is acting acknowledges and consents to the Issuer retaining such personal information for as long as permitted or required by law or business practices and further acknowledges and consents to the fact that the Issuer may be required by applicable securities laws, the rules and policies of any exchange or the rules of the Investment Dealers Association of Canada to provide them with such personal information. Without limiting the foregoing, the Subscriber, on its own behalf and on behalf of any beneficial purchaser for whom it is acting, acknowledges and agrees that the Issuer may collect, use and disclose such personal information as follows:

- (a) for the purposes of completing this Agreement;
- (b) for internal use with respect to managing the relationships between and contractual obligations of the Issuer, and the Subscriber and any beneficial purchaser for whom the Subscriber is acting;
- (c) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
- (d) for disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
- (e) for disclosure to professional advisers of the Issuer in connection with the performance of their professional services;
- (f) for disclosure to a court determining the rights of the parties to this Agreement; or
- (g) for any use and disclosure as otherwise required or permitted by law.

8.2 Disclosure to the Toronto Stock Exchange

TSX collect personal information (including names, addresses and share holdings) in certain forms and use such information for the following purposes:

- (a) to conduct background checks;
- (b) to verify the personal information that has been provided about each individual;
- (c) to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or and employee or consultant of the Issuer;

- (d) to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates;
- (e) to conduct enforcement proceedings; and
- (f) to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the TSX, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of the process set out in this clause 8.2, the TSX also collects additional personal information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out in this clause 8.2 can be accomplished.

The personal information collected by the TSX may also be disclosed:

- (g) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described in this clause 8.2; and
- (h) on the TSX's website or through printed materials published by or pursuant to the directions of the TSX.

The TSX may from time to time use third parties to process information and/or provide other administrative services. In this regard, the TSX may share the information with such third-party service providers.

Without limiting clause 8.1 hereof the Subscriber, on its own behalf, and on behalf of any beneficial purchaser for whom it is acting, hereby consents to the disclosure of the personal information described in this clause 8.2 of the Subscriber and any beneficial purchaser for whom it is acting to the TSX, and to the collection, use and disclosure of such personal information by the TSX in the manner and for the purposes described in this clause 8.2 or as otherwise identified by the TSX, from time to time.

9 General

9.1 Governing Law and Jurisdiction

This Agreement is governed by the laws of New South Wales. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there and waives any right to object to the venue on any ground.

9.2 Notices

Any notice, demand, consent or other communication (a **Notice**) given or made under this Agreement:

- (a) must be in writing and signed by the sender or a person duly authorised by the sender (or in the case of email, set out the first and last name and position or title of the sender or person duly authorised by the sender);
- (b) subject to paragraph (c), must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or email to the address or email address most recently notified by the intended recipient to the sender. Until further notice, that recipient, address and email address is as below:
 - (i) to the Issuer: Address: Level 12, 680 George Street, Sydney,

NSW 2000

Email: colin.moorhead@xanadumines.com

Attention: Colin Moorhead

With a copy to: HopgoodGanim Lawyers

Address: Level 8, 1 Eagle Street, Brisbane, QLD 4000

Email: l.dawson@hopgoodganim.com.au and
r.rutland@hopgoodganim.com.au

Attention: Luke Dawson and Rebecca Rutland

Address: 9 Straits View, #05-09, Marina One West Tower, Singapore 018937

Email: philip.tan@boroomc.com.sg

Attention: Philip Tan

With a copy to: Allens

Address: Mia Yellagonga, Level 11, Tower 2/5 Spring St, Perth WA 6000

Email: Bryn.Hardcastle@allens.com.au

Attention: Bryn Hardcastle

(ii) to the Subscriber:

- (c) will be taken to satisfy the obligations in paragraph (b) if:
- (i) where a party changes its address and fails to notify the other parties of the new address, the Notice is delivered to the intended recipient at that new address; and
 - (ii) where an individual named in paragraph (b) ceases to work in the relevant role or ceases to work for the relevant party and the relevant party fails to notify the other parties in accordance with this clause 9.2 of an alternative individual to whom Notices should be addressed (and, if relevant, an alternative email address to which Notices should be sent), the Notice is addressed to (and, if relevant, delivered to the email address of) an individual in the same or equivalent role at the intended recipient; and
- (d) will be conclusively taken to be duly given or made:
- (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by express post, to an address in the same country, two Business Days after the date of posting;
 - (iii) in the case of delivery by any other method of post, six Business Days after the date of posting (if posted to an address in the same country) or 10 Business Days after the date of posting (if posted to an address in another country); and
 - (iv) in the case of email, at the earliest of:
 - (A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
 - (B) the time that the intended recipient confirms receipt of the email by reply email; and

- (C) three hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that three hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made:

- (v) in the case of delivery by hand or post, at a time that is later than 5pm;
- (vi) in the case of delivery by email, at a time that is later than 7pm; or
- (vii) on a day that is not a business day,

in the place specified by the intended recipient as its postal address under paragraph (b), it will be conclusively taken to have been duly given or made at the start of business on the next business day in that place.

9.3 Assignment

The Subscriber cannot assign, charge, create a security interest over, encumber or otherwise deal with any of its rights or obligations under this Agreement, or attempt or purport to do so, without the prior written consent of the Issuer.

9.4 No waiver

- (a) No acquiescence, waiver or other indulgence granted by either party to any other party will in any way discharge or relieve that other party from any of its other obligations under this Agreement.
- (b) A failure to exercise or a delay in exercising any right, power or remedy under this Agreement does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing. For the avoidance of doubt, the doctrine of affirmation by election will not apply to any failure by a party to exercise, or delay by a party in exercising, any right, power or remedy under this Agreement.

9.5 Costs and duty

Each party must bear its own costs arising out of the negotiation, preparation and execution of this Agreement. All duty (including any fines, penalties and interest) payable on or in connection with this Agreement and any instrument executed under or any transaction evidenced by this Agreement must be borne by the Subscriber.

9.6 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

9.7 Extent of obligations

If any payment under this Agreement becomes void by any statutory provision or otherwise, the obligations of the party that made the payment will be taken not to have been discharged in respect of that payment and the parties will be restored to the rights which each respectively would have had if that payment had not been made.

9.8 Entire agreement

This Agreement contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct, representations, warranties, covenants, conditions, agreements or understandings (collectively **Conduct**) relied on by the parties and supersedes all earlier Conduct by or between the parties in connection with its subject matter. Neither party has relied on or is relying on any other Conduct in entering into this Agreement and completing the transactions contemplated by it.

9.9 Amendment

This Agreement may be amended only by another agreement executed by all the parties.

9.10 Further assurances

Each party must do anything necessary (including executing agreements and documents) to give full effect to this Agreement and the transactions contemplated by it.

9.11 Execution and counterparts

This Agreement may be executed electronically and may be executed in counterparts.

Where a person signs this Agreement electronically, the electronic signature is an effective binding signature, and the electronic document containing it can be an effective electronic counterpart of this Agreement.

9.12 GST**(a) Recovery of GST**

If GST is payable, or notionally payable, on a supply made under or in connection with this Agreement, the party providing the consideration for that supply must pay as additional consideration an amount equal to the amount of GST payable, or notionally payable, on that supply (the **GST Amount**). Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time that the other consideration for the supply is provided. If a tax invoice is not received prior to the provision of that other consideration, the GST Amount is payable within 10 days of the receipt of a tax invoice. This clause does not apply to the extent that the consideration for the supply is expressly stated to be GST inclusive or the supply is subject to reverse charge.

(b) Liability net of GST

Where any indemnity, reimbursement or similar payment under this Agreement is based on any cost, expense or other liability, it shall be reduced by any input tax credit entitlement, or notional input tax credit entitlement, in relation to the relevant cost, expense or other liability.

(c) Adjustment events

If an adjustment event occurs in relation to a supply made under or in connection with this Agreement, the GST Amount will be recalculated to reflect that adjustment and an appropriate payment will be made between the parties.

(d) Revenue exclusive of GST

Any reference in this Agreement to value, sales, revenue or a similar amount (**Revenue**) is a reference to that Revenue exclusive of GST.

(e) Cost exclusive of GST

Any reference in this Agreement to a cost, expense or other similar amount (**Cost**) is a reference to that Cost exclusive of GST.

(f) Survival

This clause will not merge upon completion and will continue to apply after expiration or termination of this Agreement.

(g) Definitions

Unless the context requires otherwise, words and phrases used in this clause that have a specific meaning in the GST law (as defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth)) shall have the same meaning in this clause.

Executed as an agreement.

**Executed for and behalf of Bastion Mining
Pte. Ltd. by its authorised signatory:**

[Signature]

Authorised Signatory

TAN LING KWOK, PHILIP
(CHEN LING GUO, PHILIP)

Print Name

Executed in accordance with section 127 of the *Corporations Act 2001* by **Xanadu Mines Limited**:

[Signature]

[Signature]

Director Signature

Director/~~Secretary~~ Signature

Colin Moorhead

Print Name

Michele Muscillo

Print Name

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Xanadu Mines Limited (**Xanadu**)
ACN 114 249 026

1. Details of substantial holder (1)

Name Boroo Pte. Ltd. (**Boroo**) on behalf of itself and Mr Tulga Erdenebileg (**TEG**), TDB Capital Singapore Pte. Ltd (**TDB**) and Eminent Stride Limited (**ESL**) (each, a **Group Entity**).

ACN/ARSN/APFRN (if applicable) N/A

The holder became a substantial holder on 26/05/2025

2. Details of voting power

The total number of votes attached to all the voting shares or interests in the company, scheme or fund that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
Full paid ordinary shares in Xanadu (Shares)	331,057,962	331,057,962	14.45% (based on 2,291,211,189 Shares on issue) (see section 3 below)

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Boroo	Relevant interest under sections 608(3)(a) and (b) of the <i>Corporations Act 2001</i> (Cth) (Corporations Act), being a relevant interest held through a body corporate, Bastion Mining Pte. Ltd (Bastion), in which Boroo has voting power of more than 20% and which Boroo controls.	286,829,633 Shares
TEG	Relevant interest under section 608(3)(b) of the <i>Corporations Act</i> , being a relevant interest held through a body corporate, Bastion, which TEG controls.	286,829,633 Shares
TDB	Relevant interest under section 608(3)(b) of the <i>Corporations Act</i> , being a relevant interest held through a body corporate, Bastion, which TDB controls.	286,829,633 Shares
ESL	Relevant interest under section 608(3)(b) of the <i>Corporations Act</i> , being a relevant interest held through a body corporate, Bastion, which ESL controls.	286,829,633 Shares
Mr Ganbayar Lkhagvasuren (GBL)	Relevant interest under sections 608(1)(a) of the <i>Corporations Act</i> due to GBL being the holder of the 44,228,329 Shares.	44,228,329 Shares

GBL	Relevant interest under section 608(3)(a) of the Corporations Act as GBL has voting power of more than 20% in Bastion, the registered holder of 286,829,633 Shares.	286,829,633 Shares
-----	---	--------------------

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Each of the Group Entities and GBL	Bastion	Bastion	286,829,633 Shares
GBL	GBL	GBL	44,228,329 Shares

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Each of the Group Entities and GBL	26/05/2025	\$17,209,777.98 in aggregate, being \$0.06 per Share in connection with the Subscription Agreement dated 19 May 2025, a copy of which is provided as Annexure B to this Form 603 in accordance with section 671B(4) of the Corporations Act.	286,829,633 Shares
GBL	19/05/2025	\$0.00 (exercise of zero exercise price options)	15,534,000 Shares
GBL	16/12/2024	\$0.00 (exercise of zero exercise price options)	12,136,000 Shares
GBL	20/05/2016	Issued pursuant to the Xanadu Equity Incentive Plan at a deemed issue price of \$0.125 per Share in lieu of cash consideration payable under the Short Term Incentive Plan as approved by shareholders on 6 May 2016.	368,764 Shares
GBL	20/05/2016	\$0.00 (vesting of share rights)	600,000 Shares
GBL	26/05/2015	\$0.00 (vesting of share rights)	1,200,000 Shares
GBL	20/06/2012	\$2,500,000	10,869,565 Shares
GBL	Prior to 28 August 2006	Variable prices.	3,520,000 Shares

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name	Nature of association
Each of the Group Entities and GBL	GBL is an associate of each of the Group Entities pursuant to section 12 of the Corporations Act.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
GBL	26 Khoroo Sakura Villa 353 building unit 1, Bayanzurkh District, Ulaanbaatar, Mongolia.
Group Entities	See Annexure A.

Signature

print name	Dulguun Erdenebaatar	capacity	Sole Director of Boroo and authorised signatory for and behalf of the Group Entities
sign here		date	28/05/2025

Annexure "A" to Form 603

This is Annexure "A" referred to in the Form 603 (Notice of Initial Substantial Holder) dated 28 May 2025.

ENTITY NAME	COMPANY NUMBER	PLACE OF INCORPORATION	ADDRESS
Boroo Pte. Ltd.	Unique Entity Number (Singapore): 201827959R	Singapore	9 Straits View, #05-09, Marina One West Tower, Singapore 018937.
Tulga Erdenebileg	N/A	N/A	C/O TDB Capital Singapore Pte Ltd, 9 Straits View, #05-09A, Marina One West Tower, Singapore 018937.
TDB Capital Singapore Pte. Ltd	Unique Entity Number (Singapore): 201811637H	Singapore	9 Straits View, #05-09A, Marina One West Tower, Singapore 018937.
Eminent Stride Limited	Company Number (BVI): 1973833	British Virgin Islands	C/O Vistra (BVI) Limited Vistra Corporate Services Centre Road Town, Tortola, Vg1110 British Virgin Islands

Signature

print name: Dulguun Erdenebaatar capacity: Sole Director of Boroo and authorised signatory for and behalf of the Annexure A Entities

sign here  date 28 May 2025


Annexure "B" to Form 603

This is Annexure "B" of 18 pages referred to in the Form 603 (Notice of Initial Substantial Holder) dated 28 May 2025. This Annexure contains a true copy of the original agreement provided pursuant to section 671B(4) of the *Corporations Act 2001* (Cth) (commencing on the following page).

Signature

print name: Dulguun Erdenebaatar capacity: Sole Director of Boroo and authorised signatory for and behalf of the Group Entities

sign here



date 28 May 2025



Xanadu Mines Ltd
Bastion Mining Pte. Ltd.

Subscription Agreement

Execution Version

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This Agreement is made on

Parties

- 1 **Xanadu Mines Ltd** (ACN 114 249 026) of Level 12, 680 George Street, Sydney, NSW 2000 (the **Issuer**).
- 2 **Bastion Mining Pte. Ltd.** (UEN 202512367N) incorporated in Singapore of 9 Straits View, #05-09, Marina West Tower, Singapore 018937 (the **Subscriber**).

Recitals

- A The Subscriber has agreed to subscribe for, and the Issuer has agreed to issue, the Subscription Shares on the terms of this Agreement.

It is agreed as follows.

1 Definitions and Interpretation

1.1 Definitions

The following definitions apply unless the context requires otherwise.

ASX means ASX Limited (ACN 008 624 691).

ASX Listing Rules means the official listing rules of ASX.

Bid Implementation Agreement means the agreement between, the Issuer, the Subscriber and Mr Ganbayar Lkhagvasuren on or around the date of this agreement.

Business Day means a day which is not a Saturday, Sunday or a public holiday in Sydney, Australia.

Cleansing Prospectus means a prospectus issued in accordance with section 708A(11) of the Corporations Act.

Cleansing Statement means a notice issued in accordance with section 708A(5)(e) of the Corporations Act.

Competing Proposal has the meaning given in the Bid Implementation Agreement.

Constitution means the constitution of the Issuer.

Corporations Act means the *Corporations Act 2001* (Cth).

Estimated Use of Funds Letter means the letter provided by the Issuer to the Subscriber in respect of the Subscription Amount on or about 14 May 2025.

Existing Options means the 92,184,000 options granted by the Issuer as at the Signing Date which, if exercised, will result in the issued capital of the Issuer being 92,184,000 ordinary shares.

Governmental Agency means any:

- (a) government or governmental, semi governmental or judicial entity or authority; or
- (b) minister, department, office, commission, delegate, instrumentality, agency, board, authority or organisation of any government.

It also includes any regulatory organisation established under statute or any stock exchange.

Independent Issuer Director means a director of the Issuer other than:

- (a) Mr Ganbayar Lkhagvasuren; and
- (b) Mr Shaoyang Shen.

Issuer Bank Account means:



Issuer Shares means fully paid ordinary shares in the Issuer.

Issuer Termination Event has the meaning given to that term in clause 7.2.

Official Quotation means official quotation by ASX in accordance with the ASX Listing Rules.

Settlement means the subscription and issue of the Subscription Shares.

Settlement Date means the date which is 7 days after the date of the Bid Implementation Agreement or, if that date is not a Business Day, the date which is the immediate following Business Day.

Signing Date means the date on which this Agreement is executed by both parties.

Specified Clauses means clauses 1, 2, 4.3, and 9.

Subscriber Termination Event has the meaning given to that term in clause 7.1.

Subscription Amount means \$17,209,777.98, being the amount calculated by multiplying the number of Subscription Shares by the Subscription Price.

Subscription Price means an amount in Australian dollars equal to the number of Subscription Shares multiplied by A\$0.06.

Subscription Shares means 286,829,633 Issuer Shares.

Superior Proposal has the meaning given in the Bid Implementation Agreement.

TSX means TSX Inc., and its affiliates, authorized agents, subsidiaries and divisions, including the Toronto Stock Exchange.

1.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) Mentioning anything after *includes*, *including*, *for example*, or similar expressions, does not limit what else might be included.
- (c) The following rules apply unless the context requires otherwise.
 - (i) The singular includes the plural, and the converse also applies.
 - (ii) A gender includes all genders.
 - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iv) A reference to a *person* includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (v) A reference to a clause or Schedule is a reference to a clause of, or Schedule to, this Agreement.
 - (vi) A reference to an agreement or document (including a reference to this Agreement) is to the agreement or document as amended, supplemented, novated or replaced, except to the extent prohibited by this Agreement or that other agreement or document, and includes the recitals, and Schedules to that agreement or document.

- (vii) A reference to writing includes any method of representing or reproducing words, figures, drawings or symbols in a visible and tangible form.
- (viii) A reference to a party to this Agreement or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (ix) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (x) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.
- (xi) A reference to a *right* or *obligation* of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly. A reference to that party is a reference to each of those people separately (so that, for example, a representation or warranty by that party is given by each of them separately).
- (xii) A reference to a day means a day in the jurisdiction where the relevant obligation is to be performed.

1.3 Statements on the basis of knowledge or belief

Any statement made by a party on the basis of its knowledge and belief or awareness is made on the basis that the party has, in order to establish that the statement is true and not misleading in any respect:

- (a) made all reasonable inquiries of the officers, managers, employees and other persons with responsibility for the matters to which the statement relates; and
- (b) if those inquiries would have prompted a reasonable person to make further inquiries, made those further inquiries,

and that, as a result of those inquiries, the party has no reason to doubt that the statement is true and not misleading in any respect.

2 Agreement to Subscribe

2.1 Subscription

The Subscriber will subscribe, and the Issuer will issue to the Subscriber, the Subscription Shares on the Settlement Date for the Subscription Price.

2.2 Agreement to serve as application

This Agreement serves as an application by the Subscriber for the allotment of the Subscription Shares on the Settlement Date and accordingly it will not be necessary for the Subscriber to provide a separate (additional) application on or prior to the Settlement Date. The Subscriber agrees to be bound by the Constitution of the Issuer upon the issue of the Subscription Securities.

2.3 Acknowledgement

The Issuer and the Subscriber each acknowledge and agree that as at the Settlement Date, the Subscription Shares are not being issued by the Issuer with the purpose of the Subscriber selling or transferring, or otherwise issuing or transferring interests in or options over, the Subscription Shares.

2.4 Estimated Use of funds

The Issuer agrees to apply the Subscription Amount towards the Issuer's selling, general, and administrative expenses, Mongolian operations, the Kharmagtai joint venture, transaction costs, working capital and ancillary purposes, and in a manner that is otherwise broadly consistent with the Estimated Use of Funds Letter provided to the Subscriber prior to the date of this agreement.

3 Rights Attaching to Subscription Shares

The Subscription Shares will rank equally in all respects with the existing ordinary shares of the Issuer on issue when the Subscription Shares are issued.

4 Undertakings**4.1 The Issuer's undertakings**

- (a) The Issuer must give prompt written notice to the Subscriber of the receipt of any proposal for a Competing Proposal prior to the Settlement Date in accordance with the terms of the Bid Implementation Agreement.
- (b) By 5.00pm on the day immediately prior to the Settlement Date, the Issuer must deliver to the Subscriber a certificate confirming the representations and warranties made by the Issuer pursuant to clause 6.1 are true, accurate and correct and not misleading by reason of any omission or otherwise and there has been no breach of them;
- (c) On the Settlement Date, the Issuer must:
 - (i) issue the Subscription Shares to the Subscriber (or its nominee), free from all encumbrances; and
 - (ii) register the Subscriber (or its nominee) as the holder of the Subscription Shares in the relevant register of the Issuer.
- (d) As soon as reasonably practicable and, in any event, within two Business Days following the Settlement Date, the Issuer must:
 - (i) apply for, and take all steps necessary to obtain, Official Quotation of the Subscription Shares on ASX;
 - (ii) deliver, or procure the delivery, to the Subscriber of a holding statement for the Subscription Shares; and
 - (iii) lodge a Cleansing Statement with ASX in respect of the Subscription Shares or, if such Cleansing Statement cannot be provided, lodge with ASIC and ASX a Cleansing Prospectus no later than 15 Business Days after the Settlement Date.
- (e) The Issuer must:
 - (i) use all reasonable efforts to take, or cause to be taken, all other action and do, or cause to be done, all other things necessary or appropriate to consummate the transactions contemplated by this Agreement; and
 - (ii) immediately notify the Subscriber if at any time before the Settlement Date the Issuer becomes aware of any third party objecting to, challenging, interfering with or obstructing (or proposing to object to, challenge interfere with or obstruct) any of the transactions contemplated by this Agreement.

4.2 The Subscriber's undertakings

- (a) The Subscriber must pay, or cause to be paid, the Subscription Price to the Issuer in Australian dollars in immediately available funds on the Settlement Date to the Issuer Bank Account.
- (b) The Subscriber will use all reasonable efforts to co-operate with the Issuer and its representatives in:
 - (i) preparing all documents to be lodged by the Issuer with ASX in connection with the execution, delivery and performance of this Agreement and the transactions contemplated by it; and
 - (ii) timely lodgement of all such documents.
- (c) The Subscriber will use all reasonable efforts to take, or cause to be taken, all other action and do, or cause to be done, all other things necessary or appropriate to consummate the transactions contemplated by this Agreement.
- (d) The Subscriber will, if required, submit a personal information form to the TSX.

4.3 Settlement simultaneous

The actions of the Issuer and the Subscriber to take place at on the Settlement Date are interdependent and must take place, as nearly as possible, simultaneously. If one action does not take place, then without prejudice to any rights available to any party as a consequence:

- (a) there is no obligation on any party to undertake or perform any of the other actions; and
- (b) to the extent that such actions have already been undertaken, the parties must do everything reasonably required to reverse those actions; and
- (c) each party must return to the other party all documents or payments delivered to it under this clause 4, without prejudice to any other rights any party may have in respect of that failure.

5 Confidentiality and Public Announcements

- (a) Clause 6 of the Bid Implementation Agreement will apply to this Agreement as if set out in full with such contextual adjustments as may be required.
- (b) The parties acknowledge and agree that the Subscriber is permitted to attach a copy of this agreement to any substantial holding notice in relation to the Issuer under Part 6C.1 of the Corporations Act.

6 Representations and Warranties

6.1 Representations and Warranties by the Issuer

The Issuer represents and warrants to the Subscriber that each of the following statements is true, accurate and not misleading as at each of the Signing Date and the Settlement Date:

- (a) **(status)** It is a body corporate validly existing under the laws of its place of incorporation or establishment.
- (b) **(corporate power)** It has the corporate power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement.
- (c) **(corporate action)** It has taken all necessary corporate action to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement. On the Settlement Date, full beneficial title in the Subscription Shares will vest in the Subscriber.

- (d) **(accuracy and completeness)** All information relating to the Issuer and the business carried out by the Issuer as at the date of this Agreement and provided to the Subscriber or its advisers in connection with the proposed investment by the Subscriber in the Issuer as contemplated by this Agreement, and all information publicly disclosed by the Issuer, is true in all material respects and is not by omission or otherwise misleading in any material respect. Nothing has occurred which renders any of the material which has been disclosed to the Subscriber or its advisers, or which has been publicly disclosed by the Issuer, inaccurate in any material respect.
- (e) **(disclosure compliance)** It has complied with all its disclosure requirements under the Corporations Act and the ASX Listing Rules and there is no material information or circumstance which the Issuer is not obliged to notify ASX about, pursuant to Listing Rule 3.1.
- (f) **(binding obligation)** This Agreement is its valid and binding obligation.
- (g) **(no contravention)** Neither the entry into nor performance by it of this Agreement nor any transaction contemplated under this Agreement violates in any material respect any provision of any judgment binding on it, its constituent documents, any law or any document, agreement or other arrangement binding on it or its assets.
- (h) **(consents/approvals)** Except for the admission of the Subscription Shares to the Official List of ASX, no consent, approval, authorisation, order, registration or qualification of or with any Governmental Agency or any other person is required for the Issuer to perform its obligations under this Agreement.
- (i) **(capitalisation)** As at the Settlement Date, prior to the Issuer issuing the Subscription Shares to the Subscriber, the issued capital of the Issuer is 1,912,197,556 ordinary shares. The Issuer has also granted the Existing Options. As at the Signing Date and the Settlement Date, the Issuer has no outstanding obligations or intent to issue, redeem or cancel any shares or options in the Issuer, and there exist no rights to acquire capital or voting rights in the Issuer other than this Agreement and the Existing Options.

The representations and warranties by the Issuer in this clause 6.1 are continuing obligations of the Issuer and survive the issue of the Subscription Shares and do not merge on the Settlement Date.

6.2 Representations and Warranties by the Subscriber

The Subscriber represents and warrants to the Issuer that each of the following statements is true, accurate and not misleading as at each of the Signing Date and the Settlement Date:

- (a) **(status)** It is a body corporate validly existing under the laws of its place of incorporation or establishment.
- (b) **(corporate power)** It has the corporate power to enter into and perform its obligations under this Agreement and to carry out the transactions contemplated by this Agreement.
- (c) **(corporate action)** It has taken all necessary corporate action to authorise the entry into and performance of this Agreement and to carry out the transactions contemplated by this Agreement.
- (d) **(binding obligation)** This Agreement is its valid and binding obligation.
- (e) **(no contravention)** Neither the entry into nor performance by it of this Agreement nor any transaction contemplated under this Agreement violates in any material respect any provision of any judgment binding on it, its constituent documents, any law or any document, agreement or other arrangement binding on it or its assets.

- (f) **(Sophisticated or Professional Investor)** It is an investor to whom such a offer can be made without disclosure under section 708 of the Corporations Act.
- (g) **(consents/approvals)** No consent, approval, authorisation, order, registration or qualification of or with any Governmental Agency or any other person is required for the Subscriber to perform its obligations under this Agreement.
- (h) **(No breach of Chapter 6)** The issue of the Subscription Shares to the Subscriber will not result in the Subscriber acquiring a Relevant Interest in Issuer Shares in breach of Chapter 6 of the Corporations Act.

7 Termination

7.1 Termination by the Subscriber

The Subscriber's obligation to subscribe for the Subscription Shares is conditional on and subject to none of the following events (each, a **Subscriber Termination Event**) occurring prior to the Settlement Date (and such Subscriber Termination Event not being waived by the Subscriber):

- (a) any of the representations or warranties made by the Issuer to the Subscriber cease to be true, accurate and correct and not misleading by reason of any omission or otherwise;
- (b) the Issuer fails to provide the Subscriber with the certificate required under, and by the time specified in, clause 4.1(b) of this Agreement;
- (c) a Governmental Agency or other person (including ASX) notifies either party that it considers it has reason to, or intends to, challenge any of the transactions contemplated by this Agreement, or any of the parties' obligations under this Agreement and the Subscriber (acting reasonably) considers that the challenge will, or is likely to, be successful and materially adversely impact any of the transactions contemplated by this Agreement, or any of the parties' obligations under this Agreement;
- (d) if the Issuer receives a Competing Proposal prior to the Settlement Date and the Issuer has failed either to:
 - (i) provide notice to the Subscriber in accordance with the Bid Implementation Agreement that the Independent Issuer Directors have determined that the Competing Proposal does not constitute a Superior Proposal; or
 - (ii) publicly terminate engagement with the proponent of the Competing Proposal or otherwise failed to recommend that shareholders of the Issuer reject the Competing Proposal.

The Subscriber may, at its election, terminate its obligations under this Agreement (other than the Specified Clauses) at any time prior to the issue of any Subscription Shares by notice to the Issuer upon the occurrence of any of the above Subscriber Termination Events.

7.2 Termination by the Issuer

The Issuer may terminate its obligations under this Agreement (other than the Specified Clauses) any time prior to the issue of any Subscription Shares by notice to the Subscriber if:

- (a) the Issuer is in any way prevented by any regulatory authority from proceeding, with the issue of the Subscription Shares; or
- (b) the Subscriber is placed into insolvency, an order for the winding up of the Subscriber has been made or threatened, the Subscriber has been placed into administration or the Issuer's issue of the Subscription Shares would be a breach of any applicable law, regulation or ordinance,

(each, an **Issuer Termination Event**). Notice of any such termination by the Issuer must be provided to the Subscriber in and set out reasonable details of the relevant Issuer Termination Event.

7.3 Automatic termination

This agreement shall automatically terminate upon termination of the Bid Implementation Agreement.

8 Collection of Personal Information

8.1 Collection of Personal Information – General

The Subscriber, on its own behalf and on behalf of any beneficial purchaser for whom it is acting, acknowledges and consents to the fact that the Issuer is collecting personal information (as that term is defined under applicable privacy legislation including, without limitation, the *Personal Information Protection and Electronic Documents Act (Canada)* and any other applicable, similar, replacement or supplemental provincial or federal legislation or laws in effect from time to time) of the Subscriber and any beneficial purchaser for whom the Subscriber is acting. The Subscriber, on its own behalf and on behalf of any beneficial purchaser for whom it is acting acknowledges and consents to the Issuer retaining such personal information for as long as permitted or required by law or business practices and further acknowledges and consents to the fact that the Issuer may be required by applicable securities laws, the rules and policies of any exchange or the rules of the Investment Dealers Association of Canada to provide them with such personal information. Without limiting the foregoing, the Subscriber, on its own behalf and on behalf of any beneficial purchaser for whom it is acting, acknowledges and agrees that the Issuer may collect, use and disclose such personal information as follows:

- (a) for the purposes of completing this Agreement;
- (b) for internal use with respect to managing the relationships between and contractual obligations of the Issuer, and the Subscriber and any beneficial purchaser for whom the Subscriber is acting;
- (c) for use and disclosure for income tax related purposes, including without limitation, where required by law, disclosure to Canada Revenue Agency;
- (d) for disclosure to a governmental or other authority to which the disclosure is required by court order or subpoena compelling such disclosure and where there is no reasonable alternative to such disclosure;
- (e) for disclosure to professional advisers of the Issuer in connection with the performance of their professional services;
- (f) for disclosure to a court determining the rights of the parties to this Agreement; or
- (g) for any use and disclosure as otherwise required or permitted by law.

8.2 Disclosure to the Toronto Stock Exchange

TSX collect personal information (including names, addresses and share holdings) in certain forms and use such information for the following purposes:

- (a) to conduct background checks;
- (b) to verify the personal information that has been provided about each individual;
- (c) to consider the suitability of the individual to act as an officer, director, insider, promoter, investor relations provider or and employee or consultant of the Issuer;

- (d) to provide disclosure to market participants as to the security holdings of directors, officers, other insiders and promoters of the Issuer, or its associates or affiliates;
- (e) to conduct enforcement proceedings; and
- (f) to perform other investigations as required by and to ensure compliance with all applicable rules, policies, rulings and regulations of the TSX, securities legislation and other legal and regulatory requirements governing the conduct and protection of the public markets in Canada.

As part of the process set out in this clause 8.2, the TSX also collects additional personal information from other sources, including but not limited to, securities regulatory authorities in Canada or elsewhere, investigative, law enforcement or self-regulatory organizations, regulations services providers and each of their subsidiaries, affiliates, regulators and authorized agents, to ensure that the purposes set out in this clause 8.2 can be accomplished.

The personal information collected by the TSX may also be disclosed:

- (g) to the agencies and organizations in the preceding paragraph, or as otherwise permitted or required by law, and they may use it in their own investigations for the purposes described in this clause 8.2; and
- (h) on the TSX's website or through printed materials published by or pursuant to the directions of the TSX.

The TSX may from time to time use third parties to process information and/or provide other administrative services. In this regard, the TSX may share the information with such third-party service providers.

Without limiting clause 8.1 hereof the Subscriber, on its own behalf, and on behalf of any beneficial purchaser for whom it is acting, hereby consents to the disclosure of the personal information described in this clause 8.2 of the Subscriber and any beneficial purchaser for whom it is acting to the TSX, and to the collection, use and disclosure of such personal information by the TSX in the manner and for the purposes described in this clause 8.2 or as otherwise identified by the TSX, from time to time.

9 General

9.1 Governing Law and Jurisdiction

This Agreement is governed by the laws of New South Wales. In relation to it and related non-contractual matters each party irrevocably submits to the non-exclusive jurisdiction of courts with jurisdiction there and waives any right to object to the venue on any ground.

9.2 Notices

Any notice, demand, consent or other communication (a **Notice**) given or made under this Agreement:

- (a) must be in writing and signed by the sender or a person duly authorised by the sender (or in the case of email, set out the first and last name and position or title of the sender or person duly authorised by the sender);
- (b) subject to paragraph (c), must be delivered to the intended recipient by prepaid post (if posted to an address in another country, by registered airmail) or by hand or email to the address or email address most recently notified by the intended recipient to the sender. Until further notice, that recipient, address and email address is as below:
 - (i) to the Issuer: Address: Level 12, 680 George Street, Sydney,

NSW 2000

Email: colin.moorhead@xanadumines.com

Attention: Colin Moorhead

With a copy to: HopgoodGanim Lawyers

Address: Level 8, 1 Eagle Street, Brisbane, QLD 4000

Email: l.dawson@hopgoodganim.com.au and
r.rutland@hopgoodganim.com.au

Attention: Luke Dawson and Rebecca Rutland

Address: 9 Straits View, #05-09, Marina One West Tower, Singapore 018937

Email: philip.tan@boroomc.com.sg

Attention: Philip Tan

With a copy to: Allens

Address: Mia Yellagonga, Level 11, Tower 2/5 Spring St, Perth WA 6000

Email: Bryn.Hardcastle@allens.com.au

Attention: Bryn Hardcastle

(ii) to the Subscriber:

- (c) will be taken to satisfy the obligations in paragraph (b) if:
- (i) where a party changes its address and fails to notify the other parties of the new address, the Notice is delivered to the intended recipient at that new address; and
 - (ii) where an individual named in paragraph (b) ceases to work in the relevant role or ceases to work for the relevant party and the relevant party fails to notify the other parties in accordance with this clause 9.2 of an alternative individual to whom Notices should be addressed (and, if relevant, an alternative email address to which Notices should be sent), the Notice is addressed to (and, if relevant, delivered to the email address of) an individual in the same or equivalent role at the intended recipient; and
- (d) will be conclusively taken to be duly given or made:
- (i) in the case of delivery in person, when delivered;
 - (ii) in the case of delivery by express post, to an address in the same country, two Business Days after the date of posting;
 - (iii) in the case of delivery by any other method of post, six Business Days after the date of posting (if posted to an address in the same country) or 10 Business Days after the date of posting (if posted to an address in another country); and
 - (iv) in the case of email, at the earliest of:
 - (A) the time that the sender receives an automated message from the intended recipient's information system confirming delivery of the email;
 - (B) the time that the intended recipient confirms receipt of the email by reply email; and

- (C) three hours after the time the email is sent (as recorded on the device from which the sender sent the email) unless the sender receives, within that three hour period, an automated message that the email has not been delivered,

but if the result is that a Notice would be taken to be given or made:

- (v) in the case of delivery by hand or post, at a time that is later than 5pm;
- (vi) in the case of delivery by email, at a time that is later than 7pm; or
- (vii) on a day that is not a business day,

in the place specified by the intended recipient as its postal address under paragraph (b), it will be conclusively taken to have been duly given or made at the start of business on the next business day in that place.

9.3 Assignment

The Subscriber cannot assign, charge, create a security interest over, encumber or otherwise deal with any of its rights or obligations under this Agreement, or attempt or purport to do so, without the prior written consent of the Issuer.

9.4 No waiver

- (a) No acquiescence, waiver or other indulgence granted by either party to any other party will in any way discharge or relieve that other party from any of its other obligations under this Agreement.
- (b) A failure to exercise or a delay in exercising any right, power or remedy under this Agreement does not operate as a waiver. A single or partial exercise or waiver of the exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing. For the avoidance of doubt, the doctrine of affirmation by election will not apply to any failure by a party to exercise, or delay by a party in exercising, any right, power or remedy under this Agreement.

9.5 Costs and duty

Each party must bear its own costs arising out of the negotiation, preparation and execution of this Agreement. All duty (including any fines, penalties and interest) payable on or in connection with this Agreement and any instrument executed under or any transaction evidenced by this Agreement must be borne by the Subscriber.

9.6 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will be ineffective as to that jurisdiction to the extent of the prohibition or unenforceability. That will not invalidate the remaining provisions of this Agreement nor affect the validity or enforceability of that provision in any other jurisdiction.

9.7 Extent of obligations

If any payment under this Agreement becomes void by any statutory provision or otherwise, the obligations of the party that made the payment will be taken not to have been discharged in respect of that payment and the parties will be restored to the rights which each respectively would have had if that payment had not been made.

9.8 Entire agreement

This Agreement contains the entire agreement between the parties with respect to its subject matter. It sets out the only conduct, representations, warranties, covenants, conditions, agreements or understandings (collectively **Conduct**) relied on by the parties and supersedes all earlier Conduct by or between the parties in connection with its subject matter. Neither party has relied on or is relying on any other Conduct in entering into this Agreement and completing the transactions contemplated by it.

9.9 Amendment

This Agreement may be amended only by another agreement executed by all the parties.

9.10 Further assurances

Each party must do anything necessary (including executing agreements and documents) to give full effect to this Agreement and the transactions contemplated by it.

9.11 Execution and counterparts

This Agreement may be executed electronically and may be executed in counterparts.

Where a person signs this Agreement electronically, the electronic signature is an effective binding signature, and the electronic document containing it can be an effective electronic counterpart of this Agreement.

9.12 GST**(a) Recovery of GST**

If GST is payable, or notionally payable, on a supply made under or in connection with this Agreement, the party providing the consideration for that supply must pay as additional consideration an amount equal to the amount of GST payable, or notionally payable, on that supply (the **GST Amount**). Subject to the prior receipt of a tax invoice, the GST Amount is payable at the same time that the other consideration for the supply is provided. If a tax invoice is not received prior to the provision of that other consideration, the GST Amount is payable within 10 days of the receipt of a tax invoice. This clause does not apply to the extent that the consideration for the supply is expressly stated to be GST inclusive or the supply is subject to reverse charge.

(b) Liability net of GST

Where any indemnity, reimbursement or similar payment under this Agreement is based on any cost, expense or other liability, it shall be reduced by any input tax credit entitlement, or notional input tax credit entitlement, in relation to the relevant cost, expense or other liability.

(c) Adjustment events

If an adjustment event occurs in relation to a supply made under or in connection with this Agreement, the GST Amount will be recalculated to reflect that adjustment and an appropriate payment will be made between the parties.

(d) Revenue exclusive of GST

Any reference in this Agreement to value, sales, revenue or a similar amount (**Revenue**) is a reference to that Revenue exclusive of GST.

(e) Cost exclusive of GST

Any reference in this Agreement to a cost, expense or other similar amount (**Cost**) is a reference to that Cost exclusive of GST.

(f) Survival

This clause will not merge upon completion and will continue to apply after expiration or termination of this Agreement.

(g) Definitions

Unless the context requires otherwise, words and phrases used in this clause that have a specific meaning in the GST law (as defined in the *A New Tax System (Goods and Services Tax) Act 1999* (Cth)) shall have the same meaning in this clause.

Executed as an agreement.

**Executed for and behalf of Bastion Mining
Pte. Ltd. by its authorised signatory:**

[Signature]

Authorised Signatory

TAN LING KWOK, PHILIP
(CHEN LING GUO, PHILIP)

Print Name

Executed in accordance with section 127 of the *Corporations Act 2001* by **Xanadu Mines Limited**:

[Signature]

[Signature]

Director Signature

Director/~~Secretary~~ Signature

Colin Moorhead

Print Name

Michele Muscillo

Print Name