



# Second Supplementary Bidder's Statement in relation to the Recommended Offer

by

**Silver Lake Resources Limited**  
ACN 108 779 782

To acquire all of your fully paid shares in

**Egan Street Resources Limited**  
ACN 144 766 236

## for improved Offer Consideration of

0.40 Silver Lake Shares for every 1 (one) of your EganStreet Shares, conditionally increasing to 0.431 Silver Lake Shares for every 1 (one) of your EganStreet Shares, if Silver Lake obtains a relevant interest in at least 38% of EganStreet Shares on or before 7.00pm (Sydney time) on 8 November 2019.

# Important information

---

This Second Supplementary Bidder's Statement is dated 1 November 2019 (**Second Supplementary Bidder's Statement**) and is issued pursuant to section 643 of the Corporations Act 2001 (Cth) (**Corporations Act**) by Silver Lake Resources Limited ACN 108 779 782 (**Silver Lake**) to the bidder's statement lodged with the Australian Securities and Investment Commission (**ASIC**) and Australian Securities Exchange (**ASX**) on 14 August 2019, as supplemented by the supplementary bidder's statement dated 10 September 2019 (**Bidder's Statement**) in relation to Silver Lakes' off market takeover offer dated 16 August 2019 to acquire all of the ordinary fully paid shares in Egan Street Resources Limited ACN 144 766 236 (**EganStreet**).

A copy of this Second Supplementary Bidder's Statement was lodged with ASIC on 1 November 2019. Neither ASIC nor any of its officers takes any responsibility for the content of this Second Supplementary Bidder's Statement.

This Second Supplementary Bidder's Statement supplements, and should be read together with, the Bidder's Statement. Unless the context requires otherwise, terms in this Second Supplementary Bidder's Statement have the same meaning given in the Bidder's Statement. This Second Supplementary Bidder's Statement will prevail to the extent of any inconsistency with the Bidder's Statement.

## Notice to foreign shareholders

The distribution of this Second Supplementary Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Second Supplementary Bidder's Statement should seek advice on and observe any such restrictions. Silver Lake assumes no responsibility for any violation of the securities laws of any of those countries. This Second Supplementary Bidder's Statement does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer.

No action has been taken to register or qualify Silver Lake or to otherwise permit a public offering of Silver Lake Shares outside Australia. Silver Lake Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (**Securities Act**) or the securities laws of any United States state or other jurisdiction and therefore may not be offered or sold in the United States or to, or for the account or benefit of, a U.S. 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 securities laws.

## Important Notices

This Second Supplementary Bidder's Statement does not take into account the individual investment objectives, tax position, financial or other particular needs of any person. It does not contain financial product advice. You should seek independent legal, investment, financial or taxation advice.

## SECTION 1 - IMPROVEMENT TO OFFER CONSIDERATION

On 1 November 2019, Silver Lake announced that it has increased the Offer Consideration by increasing the ratio of Silver Lake Shares offered to 0.40 Silver Lake Shares for every 1 (one) EganStreet Share (**New Offer Consideration**).

Further, Silver Lake has announced that it will increase the consideration to 0.431 Silver Lake Shares for every 1 (one) EganStreet Share (**Conditional Offer Consideration**), if Silver Lake obtains a relevant interest in at least 38% of EganStreet Shares on or before 7.00pm (Sydney time) on 8 November 2019.

As at 31 October 2019, Silver Lake has a relevant interest in 31.6% EganStreet Shares, including acceptances from the EganStreet Board of Directors and EganStreet's largest shareholder Lion Selection Group Limited.

Once Silver Lake receives a relevant interest of at least 38%, Silver Lake intends to immediately declare the Offer unconditional and payment of the consideration will be made within seven days of receipt of valid acceptances, or within seven days of the Offer being declared unconditional for those that have already accepted the Offer at that time.

On 1 November 2019, the EganStreet Directors confirmed their **unanimous recommendation** for all EganStreet Shareholders to accept the Offer, in the absence of a Superior Proposal. The EganStreet Board also **unanimously recommended** that EganStreet Shareholders accept the Offer in a timely manner to allow all shareholders to receive the value uplift from the Conditional Offer Consideration.

A formal variation notice under section 650D of the Corporations Act in connection with the New Offer Consideration is attached as Annexure A.

On 25 October 2019, Silver Lake extended the Offer Period so that the Offer will now remain open for acceptance until 7.00pm (Sydney time) on Friday 13 December 2019 (unless further extended under the Corporations Act). EganStreet Shareholders may accept the Offer using the prior Acceptance Form sent to you. However, a further Acceptance Form is also enclosed with this Second Supplementary Bidder' Statement.

The New Offer Consideration will apply to all EganStreet Shareholders who accept Silver Lake's Offer, including those EganStreet shareholders who have already accepted the Offer. If the Conditional Offer Consideration is enlivened as above, a further variation will be made by Silver Lake, and it will apply to all EganStreet Shareholders who accept or have accepted Silver Lake's Offer.

## SECTION 2 - INCREASED OFFER – IMPLIED VALUE

Based on the prevailing market prices as at 31 October 2019 (being the last trading day immediately prior to Silver Lake's announcement of its increase to the Offer Consideration), the implied value of the New Offer Consideration, and then the Conditional Offer Consideration, is equivalent to:

	New Offer Consideration	Conditional Offer Consideration
Exchange Ratio	0.400	0.431
Implied EganStreet Share Price <sup>1</sup>	\$0.46	\$0.50
Premium to EganStreet Last Close as at 31 Oct 2019	47%	59%
Premium to EganStreet 1 Month VWAP as at 31 Oct 2019 <sup>2</sup>	57%	70%
Premium to Undisturbed EganStreet Share Price Pre-Initial Silver Lake offer (29 Jul 2019)	50%	61%

1. Based on Silver Lake's closing share price of \$1.16 on 31 October 2019. 2. Based on the 31 calendar days preceding, and inclusive of, 31 October 2019

As Silver Lake Shares are listed on the ASX, the market price of Silver Lake Shares can fall as well as rise and may be subject to varied and unpredictable influences. Accordingly, there is no guarantee that the Silver Lake Shares offered will trade at or above pre Offer or prevailing market prices.

### SECTION 3 - PRO FORMA CAPITAL STRUCTURE OF MERGED ENTITY

Assuming Silver Lake acquires 100% of the EganStreet Shares, the following shows the issued and fully paid share capital and performance rights of Silver Lake and EganStreet as at the date of this Second Supplementary Bidder's Statement and as it will be immediately following completion of the Offer (assuming 100%), taking into account the Increased Offer Consideration and the Conditional Offer Consideration:

Current Capital Structure	# of securities	
<b>Silver Lake</b>		
Shares on issue	819,800,012	
Performance Rights	5,514,273	
<b>EganStreet</b>		
Shares on issue	139,634,189 <sup>1</sup>	
Proforma Capital Structure	# of securities at New Offer Consideration (0.400)	# of securities at Conditional Offer Consideration (0.431)
Silver Lake Shares currently on issue	819,800,012	819,800,012
Silver Lake Shares issued to EganStreet Shareholders assuming 100% acceptance of Offer	55,853,676 <sup>3</sup>	60,182,335 <sup>3</sup>
<b>Pro-Forma Silver Lake Shares<sup>2</sup></b>	<b>875,653,688</b>	<b>879,982,347</b>

1. It is noted that there are presently 1,500,000 EganStreet Options on issue at \$0.30 each exercisable on or before 20 August 2021, however EganStreet has stated in its Target's Statement that the vesting conditions in respect of these Options will not be satisfied and they will not vest.

2. Assumes the 5,514,273 Performance Rights in Silver Lake are not exercised and remain on issue post completion of the Offer.

3. Subject to rounding.

### SECTION 4 - FURTHER INFORMATION

If you are in any doubt as to how to deal with this Second Supplementary Bidder's Statement, you should contact your broker or your legal, financial or other professional adviser.

If you have any questions about the Offer or how to accept it, please call the EganStreet Shareholder Information Line on 1300 383 849 (toll-free) from within Australia, or on +61 3 9415 4179 from outside Australia. Please note that these calls may be recorded.

### SECTION 5 - APPROVAL OF SECOND SUPPLEMENTARY BIDDER'S STATEMENT

This Second Supplementary Bidder's Statement has been approved by a unanimous resolution passed by the board of directors of Silver Lake.

Signed for and on behalf of Silver Lake Resources Limited by:



.....  
Luke Tonkin, Director

Date: 1 November 2019

## ANNEXURE A

### Notice of Variation – Increase to Offer Consideration under section 650D of the *Corporations Act 2001* (Cth) (Act)

#### Off-market takeover offer by Silver Lake Resources Limited ACN 108 779 782, for the ordinary shares in Egan Street Resources Limited ACN 144 766 236

To: Australian Securities and Investment Commission (ASIC);

Australian Securities Exchange (ASX); and

Egan Street Resources Limited ACN 144 766 236 (EganStreet).

In accordance with ASIC Class Order [CO 13/521] each person shown on the EganStreet share register dated 30 October 2019.

This is a notice dated 1 November 2019 given by Silver Lake Resources Limited ACN 108 779 782 (Bidder) in relation to the offer dated 19 August 2019 (as varied by notices dated 10 September 2019 and 25 October 2019) made by the Bidder, under the off-market takeover bid to acquire up to 100% of the ordinary shares in EganStreet (Offer) pursuant to the bidder's statement dated 14 August 2019, as supplemented on 10 September 2019 (Bidder's Statement).

#### Increase of Offer Consideration

In accordance with section 650D of the Act, Silver Lake gives notice that Silver Lake varies the Offer by increasing the Offer Consideration from 0.27 Silver Lake Shares for every 1 EganStreet Share to 0.400 Silver Lake Shares for every 1 EganStreet Share. Silver Lake varies its Offer by substituting "0.400 Silver Lake Shares for every one (1) EganStreet Share" for "0.27 Silver Lake Shares for every one (1) EganStreet Share" in section 4.1.1 and in Appendix A, clause A2(a) of the Bidder's Statement and in all other places it appears in the Bidder's Statement.

The increased Offer Consideration will apply to all EganStreet Shareholders who accept Silver Lake's Offer, including those EganStreet shareholders who have already accepted the Offer.

A copy of this notice was lodged with ASIC on 1 November 2019. ASIC takes no responsibility for the contents of this notice.

This notice was approved by a unanimous resolution passed by the directors of the Bidder.



---

Luke Tonkin  
Director  
Silver Lake Resources Limited