

14 AUGUST 2019

BIDDER'S STATEMENT FOR EGANSTREET RESOURCES

Silver Lake Resources Limited ("Silver Lake") wishes to advise that in relation to the off market takeover bid for Egan Street Resources Limited ("EganStreet"), and in accordance with item 5 of section 633(1) of the Corporations Act 2001 (Cth) ("Corporations Act"), a copy of the bidder's statement is attached ("Bidder's Statement").

The Bidder's Statement has been lodged with the Australian Securities and Investments Commission and sent to EganStreet earlier today.

Silver Lake and EganStreet have agreed the following dates:

Bidder's Statement lodged with ASIC	14 August 2019
Bidder's Statement despatched to EganStreet Shareholders	19 August 2019
Date of Offer	19 August 2019
Offer Closes (unless extended or withdrawn)	7.00 pm (Sydney time) on 20 September 2019

In accordance with section 633(4) of the Corporations Act Silver Lake gives notice that it has specified 14 August 2019 at 7.00pm (EST) as the date for the purposes of determining the persons to whom information must be sent under items 6 and 12 of section 633(1) of the Corporations Act.

For more information about Silver Lake and its projects please visit our web site at www.silverlakeresources.com.au.

For further information, please contact

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Board of Directors:

David Quinlivan
Luke Tonkin
Les Davis
Kelvin Flynn
Peter Alexander

ASX Code: SLR

Issued Capital:

818.4m Shares
7.1m Performance Rights

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you are in any doubt as to how to deal with this document, you should
consult your legal, financial or other professional adviser.



Bidder's Statement

containing a recommended Offer by

Silver Lake Resources Limited

(ACN 108 779 782)

to purchase all of your shares in

Egan Street Resources Limited

(ACN 144 766 236)

for consideration of 0.27 Silver Lake Shares
for each 1 EganStreet Share

Please call 1300 383 849 (callers in Australia) or +61 3 9415 4179 (callers outside Australia) if you have any questions or require assistance with your acceptance.

The Offer is dated [●] August 2019 and will close at 7.00pm (Sydney time) on [●] September 2019, unless extended.

Financial Advisers:



Capital
Markets



Legal Adviser:



HopgoodGanim
LAWYERS

Important information

This Bidder's Statement is dated 14 August 2019 and is given by Silver Lake Resources Limited ACN 108 779 782 (**Silver Lake**) to Egan Street Resources Limited ACN 144 766 236 (**EganStreet**) and EganStreet Shareholders under Part 6.5 of the Corporations Act. This Bidder's Statement sets out certain disclosures required by the Corporations Act, together with the Offer Terms to acquire all of your EganStreet Shares. The formal Offer Terms are set out in Appendix A.

A copy of this Bidder's Statement was lodged with ASIC on 14 August 2019. ASIC takes no responsibility for the content of this Bidder's Statement.

Defined terms

A number of defined terms are used in this Bidder's Statement (including appendices). The definitions are set out in Section 12.

Investment decisions

You should read all of this Bidder's Statement before deciding whether to accept the Offer. This Bidder's Statement does not take into account the individual objectives, financial situation or particular needs of individual EganStreet Shareholders. Accordingly, before making a decision as to whether or not to accept the Offer, you should consider seeking independent financial and taxation advice.

Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. You should be aware that such statements are only predictions and are based on assumptions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which EganStreet and Silver Lake operate 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 Silver Lake or its officers or persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder'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 Bidder's Statement reflect views held only as at the Date of this Bidder's Statement.

Disclaimer as to EganStreet and Enlarged Group information

Unless otherwise stated, the information in this Bidder's Statement concerning EganStreet, its securities, the EganStreet Group and the assets and liabilities, financial position and performance, profits and losses and prospects of EganStreet and the EganStreet Group has been prepared by Silver Lake using publicly available information and has not been independently verified by Silver Lake or its directors. Accordingly, subject to the Corporations Act, Silver Lake makes no representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on the Enlarged Group contained in this Bidder's Statement, to the extent that it incorporates or reflects information on EganStreet and the EganStreet Group, has (unless otherwise stated) also been prepared using publicly available information. Accordingly, information in relation to the Enlarged Group is subject to the foregoing disclaimer to that extent.

Further information relating to EganStreet's business may be included in EganStreet's Target's Statement which EganStreet must provide to EganStreet Shareholders in response to this Bidder's Statement, and reference should be made to that information.

Notice to foreign shareholders

The distribution of this Bidder's Statement may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this 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 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.

Implied value

As you are being offered Silver Lake Shares as consideration for EganStreet Shares, the implied value to you of the Offer may vary with the market value of Silver Lake Shares. In addition, all references to the implied value of the Offer are subject to the effects of rounding.

Privacy

Silver Lake has collected your information from the EganStreet register of shareholders for the purpose of making the Offer and, if accepted, administering your holding of EganStreet Shares. 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 only to Silver Lake's Associates and external service providers, and may be required to be disclosed to regulators such as ASIC. The registered address of Silver Lake is Suite 4, Level 3, 85 South Perth Esplanade, South Perth WA 6151.

How to accept

To accept the Offer you should follow the instructions set out in Appendix A, clause A4 of this Bidder's Statement and on the accompanying Acceptance Form.

Further information

If you are in any doubt as to how to deal with this 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.

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Key dates and contacts

Key dates	
Announcement of Offer	30 July 2019
Bidder’s Statement lodged with ASIC	14 August 2019
Register Date	7.00 pm (Sydney time) on 14 August 2019
Date of Offer	[●] August 2019
Offer Closes (unless extended or withdrawn)	7.00 pm (Sydney time) on [●] September 2019

EganStreet Shareholder Information Line

Please call 1300 383 849 (callers in Australia) or +61 3 9415 4179 (callers outside Australia), from 8:30am to 5:30pm (Sydney time) on Business Days, if you have any questions or require assistance with your acceptance. Please note these calls may be recorded.

1. Silver Lake Chairman's letter

Dear EganStreet Shareholder,

It is my pleasure, on behalf of the Board and management of Silver Lake Resources Limited (“**Silver Lake**”), to present you with this Offer for your shares in Egan Street Resources Limited (“**EganStreet**”).

The Offer has been unanimously recommended by the EganStreet Board and each EganStreet Director has also indicated that they intend to accept the Offer for shares they own or control, in both instances in the absence of a Superior Proposal.

In addition, EganStreet's largest shareholder, Lion Selection, has entered into a Pre-Bid Acceptance Deed with Silver Lake under which it has agreed to accept the Offer in respect of its 16.2% holding.

Under the terms of the Offer, you will be entitled to receive 0.27 Silver Lake Shares for every EganStreet share you hold. The Offer values EganStreet at approximately \$49.2 million or \$0.35 per share¹.

Key benefits of the Offer for EganStreet Shareholders will be the realisation of an immediate and appropriate premium for your EganStreet Shares, reflecting the advancement of the Rothsay Project under your ownership and the significant reduction in risk profile and potential operating synergies on offer by combining with Silver Lake. In Section 2 of this document we have outlined in detail the compelling reasons to accept the Offer.

By combining EganStreet with Silver Lake, and becoming a Silver Lake Shareholder, you will gain immediate leverage to the prevailing gold price environment through our operating assets which are located in a tier one mining jurisdiction and are forecast to produce between 215,000 and 230,000 gold equivalent ounces² in FY20.

In addition Silver Lake has a strong balance sheet with no bank debt, a proven track record in the successful development and operation of narrow, high-grade, underground mines and established regional processing infrastructure at Deflector, all of which will mitigate the execution and future dilution risks for EganStreet and its shareholders as a single asset developer of Rothsay.

Silver Lake will continue its relentless focus on delivering value for all its shareholders, both existing and future. Silver Lake has a pipeline of embedded growth opportunities within the portfolio that are expected to benefit all Silver Lake Shareholders through the combination of EganStreet with Silver Lake.

The Offer is subject to a 90% minimum acceptance condition and other customary conditions for a transaction of this kind, unless such conditions are waived. A full list of the Conditions of the Offer can be found in Appendix A to this Bidder's Statement. To accept the Offer, please follow the instructions on the accompanying Acceptance Form. The Offer closes at 7.00 pm (Sydney time) on [●] September 2019, unless withdrawn or extended.

It is our great pleasure to invite you to participate in this opportunity and we look forward to your acceptance of the Offer and to welcoming you as a Silver Lake Shareholder.

Yours sincerely,



**David Quinlivan, Non-Executive Chairman
Silver Lake Resources Limited**

¹ Based on the closing price of a Silver Lake Share as at 13 August 2019 (being the last practicable day before the Date of the Bidder's Statement) and EganStreet's basic issued capital of 130,453,719 shares and 7,180,470 performance rights and 1,134,427 Silver Lake shares issued to EganStreet Optionholders under the Options Offer.

² Guidance for Silver Lake, including gold equivalent calculation and methodology and assumptions, set out in Silver Lake June Quarterly ASX announcement dated 30 July 2019

2. Why you should ACCEPT Silver Lake's Offer

2.1. SUMMARY

✓	Unanimously Recommended by the EganStreet Board, in the absence of Superior Proposal
✓	Pre-Bid Acceptance Deed from major shareholder, Lion Selection
✓	Immediate premium
✓	No Superior Proposal has emerged
✓	Best prospect for maximising EganStreet Shareholder value
✓	Participation in an Enlarged Company with multiple operations
✓	If the Offer is not completed the EganStreet share price may fall
✓	Silver Lake's established operational capabilities reduces Rothsay execution risk
✓	Geographical and operating synergies
✓	Market capitalisation and liquidity

Reasons to ACCEPT Silver Lake's Offer are discussed in more detail in Section 2.2.

2.2. REASONS TO ACCEPT SILVER LAKE'S OFFER

The EganStreet Directors are unanimous in their recommendation that EganStreet Shareholders ACCEPT the Offer, in the absence of a Superior Proposal. Reasons to ACCEPT are set out below.

2.2.1. The Offer is unanimously recommended by EganStreet Directors

EganStreet Directors unanimously recommend EganStreet Shareholders to accept the Offer in absence of a Superior Proposal.

Additionally, EganStreet Directors who own or control EganStreet Shares have confirmed that they will accept or procure the acceptances of the Offer in respect of the EganStreet Shares that they own or control, in the absence of a Superior Proposal. The EganStreet Directors own or control 8,630,128³ EganStreet Shares representing 6.6% of all EganStreet Shares outstanding as at the Date of this Bidder's Statement, excluding EganStreet Options and EganStreet Performance Rights.

³ Includes 1,397,438 EganStreet Shares held by Lion Manager Pty Ltd, of which Mr Hedley Widdup is a director and shareholder. See EganStreet Directors' interests noted in EganStreet Annual Report 2018.

2.2.2. EganStreet’s largest shareholder, Lion Selection, has entered into a Pre-Bid Acceptance Deed

EganStreet’s largest shareholder, Lion Selection, has entered into a Pre-Bid Acceptance Deed with Silver Lake under which it has agreed to accept the Offer in respect of its 16.2% holding. The Pre-Bid Acceptance Deed is subject to certain conditions as outlined in Section 11.9.

2.2.3. EganStreet Shareholders will receive an immediate premium for their EganStreet Shares

Under the Offer, EganStreet Shareholders will receive 0.27 Silver Lake Shares for each one (1) EganStreet Share held.

Based on the closing price of Silver Lake Shares on the ASX on 13 August 2019 (the last practicable day prior to the Date of this Bidder’s Statement), the Offer valued EganStreet Shares at \$0.35 per share.

As shown in the figure below, the Offer represents a premium to various trading price metrics of EganStreet Shares.

Figure 1: Implied premium of the Offer against various metrics (as at 13 August 2019)



Note any market fluctuations in the price of Silver Lake Shares will impact the implied value of the Offer Shares. For further details, see Section 11.5.

2.2.4. No Superior Proposal has emerged

No Superior Proposal has emerged since the date the Offer was announced (30 July 2019), nor since the date EganStreet announced it had received indicative debt funding proposals (16 October 2018).

EganStreet announced to ASX on 29 June 2018 it had appointed a financial advisor to run a competitive process to secure debt facilities for Rothsay. The indicative debt funding proposals referred to in EganStreet’s release to the ASX on 16 October 2018 have not progressed to a position in which they have certainty of structure or the potential to be executed.

2.2.5. Best prospect for maximising shareholder value

EganStreet’s near and long term funding requirements, development program and capital expenditure requirements to develop Rothsay within a single asset company significantly exceed its cash position of \$3.1 million at 30 June 2019. As no debt funding facility has been able to be negotiated despite a competitive process, EganStreet shareholders would be exposed to potentially significant share dilution, if as a shareholder you were unable to or did not wish to participate in these likely future capital raisings.

As at 30 June 2019, Silver Lake had net cash and bullion of approximately A\$131.7 million. By virtue of the Offer, and becoming shareholders in Silver Lake, EganStreet Shareholders will benefit from gaining access to this strong, debt free balance sheet, and to continued cash flow generation. This access to capital will ensure that the development of Rothsay will no longer be contingent on the execution of multiple financing transactions. The figure below presents the cash and debt position for EganStreet, Silver Lake and the pro forma Enlarged Group as at 30 June 2019.

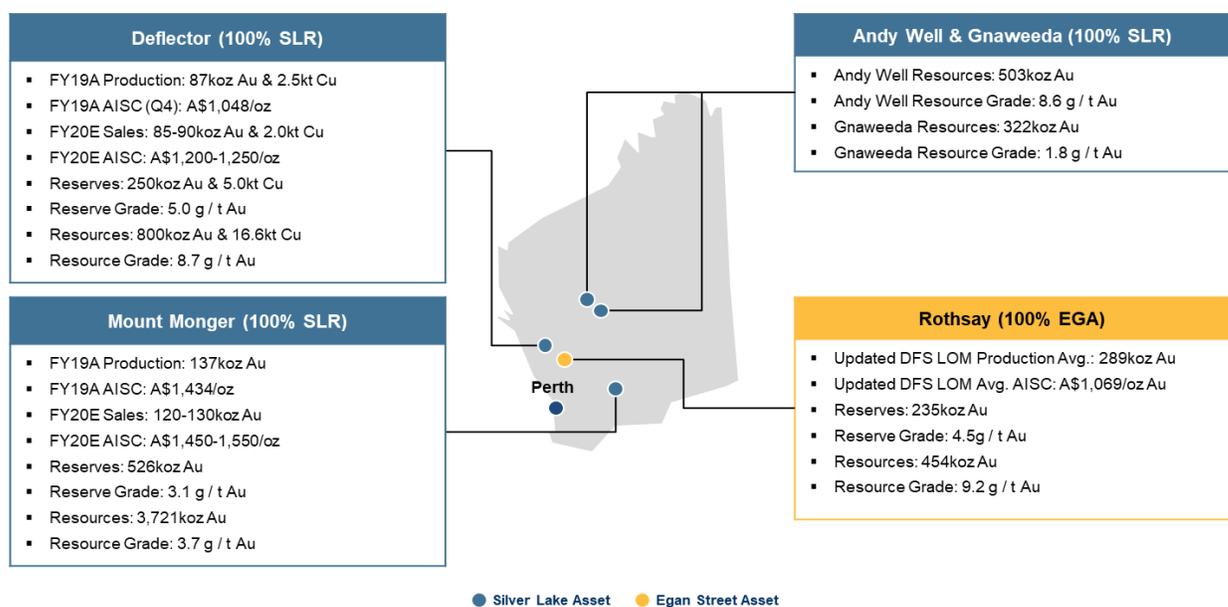
Figure 2: Cash and Debt Position of EganStreet, Silver Lake and the pro forma Enlarged Group as at 30 June 2019

A\$m	Standalone EganStreet	Standalone Silver Lake	Enlarged Group
Cash	3.1	131.7	134.8
Debt	-	-	-
Net Cash	3.1	131.7	134.8

2.2.6. You will have the opportunity to participate in a company with multiple operations

As shown in the figure below, the Enlarged Group has multiple established gold mining and processing operations in Western Australia. As Silver Lake Shareholders, EganStreet Shareholders will benefit from a reduction in their exposure to construction, commissioning and cash flow volatility risk that can be experienced by single-asset companies. The diverse sources of production and cash flow generation insulates Silver Lake from quarter-on-quarter production and cash flow volatility that can be exhibited by single-mine companies.

Figure 3: Western Australian map and the location of the Enlarged Group’s assets



2.2.7. If the Offer is not completed the EganStreet share price may fall

If the Offer is not completed it is likely EganStreet will remain an independent company and will continue to focus on the Rothsay project as a standalone development. Should this occur, it is likely the EganStreet share price will trade below current levels in the near term and EganStreet Shareholders will face increased exposure to further share dilution.

2.2.8. Opportunity for EganStreet Shareholders to gain exposure to Silver Lake’s operational capabilities

Silver Lake is an experienced operator of narrow, high-grade, underground mines. In FY19, Silver Lake sold 171,322 ounces gold equivalent at a competitive AISC of A\$1,367 per ounce.

In FY20 Silver Lake expects to produce between 215,000 to 230,000 ounces gold equivalent⁴ with an AISC in the range of A\$1,375/oz to A\$1,450/oz. Silver Lake expects to spend \$18 million in exploration to follow up exploration success reported at both operations in FY19 and leverage the Mineral Resource upside within Silver Lake’s proven mineralised corridors proximal to established infrastructure⁵

Silver Lake will apply its demonstrable success in exploring, developing and operating narrow, high-grade underground gold mines, to the development of Rothsay.

The below chart illustrates Silver Lake’s proven operating strategy at Mount Monger which is driven by a focus on grade and cash generation.

Figure 4: Past four years’ production and cash generation for Silver Lake



2.2.9. Geographical and operating synergies

EganStreet Shareholders will benefit from Silver Lake’s established processing infrastructure at Deflector plus Silver Lake’s track record and demonstrable success in exploring, developing and operating narrow, high-grade underground gold mines, which will be applied at Rothsay. The similar style of the Rothsay deposit will allow Silver Lake to leverage its site based operating model with aggregated functional support as Rothsay progresses through development and into production.

Silver Lake’s Deflector Mine and processing facility is located approximately 84km north-west of EganStreet’s Rothsay Project. The ability to utilise established processing, mine and services infrastructure with multiple feed sources significantly reduces the execution risk and ongoing operational risks associated with bringing Rothsay into production as a standalone operation.

⁴ Guidance for Silver Lake, including gold equivalent calculation and methodology and assumptions, set out in Silver Lake June Quarterly ASX announcement dated 30 July 2019

⁵ For further details on Silver Lake’s FY20 exploration program refer ASX release 30 July 2019, June 2019 Quarterly Activities Report

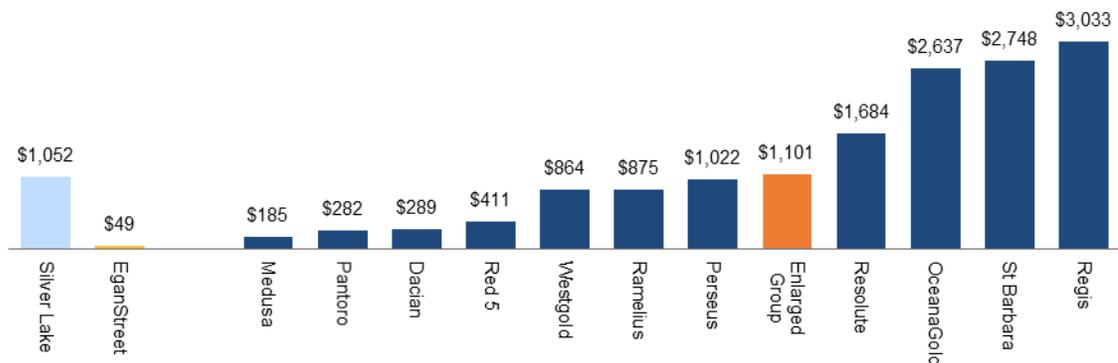
Figure 5: Proximity of Deflector and Rothsay



2.2.10. Opportunity for you to become a shareholder in a company with substantial market capitalisation and liquidity in its shares

Silver Lake is listed on the ASX and has a basic market capitalisation of \$1.05 billion while the pro forma market capitalisation is \$1.10 billion. Silver Lake is a member of the S&P ASX 300 index of the share market’s top 300 stocks by market capitalisation. This index participation, combined with the diversity of the Enlarged Group’s production base and cash flow generation, is expected to encourage greater buying support from gold-focused ETFs, which require greater scale and lower risk (addressed through operating diversity) as part of their investment mandates.

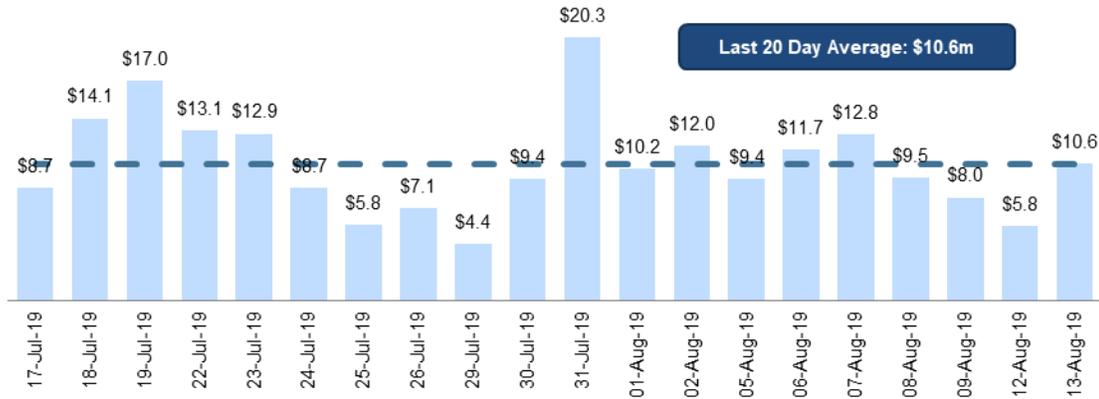
Figure 6: Pro-forma market capitalisation of the Enlarged Group⁶



⁶ Source: Capital IQ, company disclosures on the ASX platforms. Calculated as at closing prices on 13 August 2019, except EganStreet market capitalisation which is calculated based on the Offer and the Enlarged Group market capitalisation which is calculated based on the assumed Enlarged Company capital structure as set out in Section 7.4.

Silver Lake shares are also highly liquid with an aggregate of approximately 157 million shares traded on the ASX during the month (20 trading days) ended 13 August 2019 (the last practicable day prior to the Date of this Bidder’s Statement). This aggregate turnover represents a daily average value of shares traded of approximately \$10.6 million over this time period.

Figure 7: Daily trading volumes and value of Silver Lake Shares traded on the ASX for 20 trading days ended 13 August 2019 (the last practicable day before the Date of this Bidder’s Statement)



3. Frequently asked questions in relation to Silver Lake's Offer

This Section answers some key questions that you may have about the Offer and is qualified by, and should be read in conjunction with, the detailed information contained in this Bidder's Statement and in the appendices to this Bidder's Statement.

What is Silver Lake offering to buy?	Silver Lake is offering to acquire all of your EganStreet Shares, including EganStreet Shares that are issued before the end of the Offer Period as a result of the conversion of or exercise of rights under other EganStreet securities.
What will I receive if I accept the Offer?	If you accept the Offer, and are not a Foreign Shareholder or a Small Parcel Shareholder, and the Offer becomes Unconditional, for each EganStreet Share you hold you will receive 0.27 Silver Lake Shares.
What is the value of the Offer?	<p>Based on the closing price of a Silver Lake Share on the ASX on 29 July 2019 (the last trading day before the announcement of the Offer) the implied value of the Offer is \$0.40 per EganStreet Share.</p> <p>Based on the closing price of a Silver Lake Share on the ASX on 13 August 2019 (the last practicable day prior to the Date of this Bidder's Statement) the implied value of the Offer is \$0.35 per EganStreet Share.</p> <p>The implied value of the Offer will change as a consequence of changes in the market price of Silver Lake Shares from time to time. For further details, see Section 11.5.</p>
What happens if I do not accept the Offer?	<p>If you choose not to accept the Offer, or the Offer does not proceed because it fails to become Unconditional, there are certain risks of which you should be aware, including:</p> <p>If Silver Lake does not acquire 100% of the shares in EganStreet (whether under the Offer or any subsequent compulsory acquisition rights it may be entitled to exercise), the EganStreet Share price may fall in the absence of another bidder making an offer.</p> <p>If Silver Lake acquires shares in EganStreet and EganStreet remains a listed company, the market for your EganStreet Shares may be less liquid or less active. Therefore it could be more difficult for you to sell your EganStreet Shares at a later time.</p> <p>You should consult your broker or financial adviser to ascertain the impact of the risks outlined above on the value of your EganStreet Shares.</p>
What if I am a Foreign Shareholder?	If you accept the Offer and the Offer becomes Unconditional, and you are a Foreign Shareholder (i.e. you are resident outside Australia), you will not be entitled to receive Silver Lake Shares as consideration for EganStreet Shares held by you pursuant to the Offer. In these circumstances, the Silver Lake Shares which would otherwise have been issued to you will instead be issued to the Nominee, who will sell those Silver Lake Shares and remit the net proceeds of such sale to you in cash.

<p>What if I am a Small Parcel Shareholder?</p>	<p>If you accept the Offer and the Offer becomes Unconditional, and you are a Small Parcel Shareholder, you will not be entitled to receive Silver Lake Shares as consideration for EganStreet Shares held by you pursuant to the Offer. In these circumstances, the Silver Lake Shares which would otherwise have been issued to you will instead be issued to the Nominee, who will sell those Silver Lake Shares and remit the net proceeds of such sale to you in cash.</p>
<p>What is this Bidder's Statement?</p>	<p>This Bidder's Statement was prepared by Silver Lake for distribution to you, the EganStreet Shareholders. It sets out the Offer Terms and contains important information that may be relevant to your decision whether or not to accept the Offer.</p> <p>This Bidder's Statement is an important document. If you are in any doubt as to how to deal with this document, you should consult your broker or your legal, financial or other professional adviser as soon as possible.</p>
<p>Who is Silver Lake?</p>	<p>Silver Lake is an ASX listed (ASX:SLR) gold production and exploration company with operations in Western Australia. Silver Lake's primary operations are Mount Monger, located 50 km southeast of Kalgoorlie, and Deflector, located 160km east of Geraldton and 400km north of Perth.</p> <p>Please refer to Section 5 for further information.</p>
<p>What are the defeating conditions to the Offer?</p>	<p>The key Conditions are:</p> <ul style="list-style-type: none"> (a) Minimum Acceptance Condition (b) No Prescribed Occurrences (c) No EganStreet Material Adverse Change (d) No action by Public Authority materially adversely affecting the Offer (e) Conduct of EganStreet's business <p>This is only a summary of the Conditions which are set out in full in Section 4.1.4.</p>
<p>What happens if the conditions of the Offer are not satisfied or waived?</p>	<p>If the conditions of the Offer are not satisfied or waived by the closing date, the Offer will lapse and your acceptance will be void.</p>
<p>If I accept the Offer, when will I receive Silver Lake Shares?</p>	<p>If you accept the Offer, and the Offer becomes Unconditional, Silver Lake will send the Offer Consideration for your EganStreet Shares within one month of the later of:</p> <ul style="list-style-type: none"> (a) the Offer becoming Unconditional; and (b) receipt by Silver Lake of a valid acceptance of the Offer. <p>If you accept the Offer and you are a Foreign Shareholder (i.e. you are resident outside Australia), or you are a Small Parcel Shareholder, you will not be entitled to receive Silver Lake Shares as consideration for EganStreet Shares held by you pursuant to the Offer. In these circumstances, the Silver Lake Shares which would otherwise have been issued to you will instead be issued to the Nominee, who will sell those Silver Lake Shares and remit the net proceeds of such sale to you in cash.</p>
<p>How do I accept the Offer?</p>	<p>Refer to Section 4.2 and Appendix A, at clause A4 of this Bidder's Statement and the enclosed Acceptance Form.</p>

Can you accept the Offer for part of your EganStreet Shares?	No. You cannot accept for part of your EganStreet Shares. You can only accept the Offer for ALL of your EganStreet Shares.
Will I need to pay any brokerage or stamp duty if I accept the Offer?	<p>If your EganStreet Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Silver Lake, you will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer.</p> <p>If your EganStreet Shares are registered in a CHESS Holding, or if you are a beneficial owner whose EganStreet Shares are registered in the name of a broker, bank, custodian, or other nominee, you will not be obliged to pay stamp duty by accepting the Offer but you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transactional fees or service charges in connection with acceptance of the Offer.</p> <p>If you are a Foreign Shareholder or a Small Parcel Shareholder, the proceeds of sale of the Silver Lake Shares to which you would otherwise have become entitled to receive as a consequence of accepting the Offer will be net of sale costs, including brokerage (see Section 11.18 and 11.19 of this Bidder's Statement).</p>
When does the Offer close?	The Offer is currently scheduled to close at 7.00 pm (Sydney time) on [●] September 2019, unless it is extended or withdrawn.
Can Silver Lake extend the Offer Period?	Yes, the Offer Period can be extended at Silver Lake's election, up to a maximum Offer Period of 12 months. EganStreet Shareholders will be sent written notice of any extension, and the extension will be announced to the ASX.
What are the tax implications of acceptance?	A general summary of the likely Australian tax consequences of accepting the Offer is set out in Section 10 of this Bidder's Statement. Silver Lake recommends that you seek independent professional tax advice in relation to your own particular circumstances.
Can I sell my EganStreet Shares on market?	<p>Yes, but you may incur brokerage costs if you do.</p> <p>If you have already accepted the Offer, you will be unable to settle any subsequent sale of your EganStreet Shares to which the Offer relates.</p>
Are there any risks in accepting the Offer?	Yes, although you may already be exposed to some of those risks through your holding of EganStreet Shares. The risks are described in Section 9 of this Bidder's Statement.
Can I withdraw my acceptance?	Under the Offer Terms, you cannot withdraw your acceptance during the Offer Period unless the Offer Period is extended by more than one month and the Offer has not been declared Unconditional in accordance with Section 650E of the Corporations Act.

<p>Offer in respect of EganStreet Options</p>	<p>Silver Lake is not making a separate takeover offer to holders of EganStreet Options. However, Silver Lake has agreed to make private offers to the holders of EganStreet Options for the cancellation of their EganStreet Options on the terms detailed in Section 11.6.</p> <p>EganStreet Optionholders whose EganStreet Options are capable of being converted into EganStreet Shares, and are converted, during the Offer Period will be able to accept the Offer in respect of the EganStreet Shares which they are issued.</p>
<p>Can I exercise my EganStreet Options or EganStreet Performance Rights and then accept the Offer?</p>	<p>Yes, the Offer extends to EganStreet Shares issued between the Register Date (14 August 2019) and the end of the Offer Period as a result of the conversion of or exercise of rights under other EganStreet securities (including EganStreet Options and EganStreet Performance Rights). The Offer does not otherwise extend to EganStreet Options or EganStreet Performance Rights.</p>
<p>Where do I go for further information?</p>	<p>For all other queries in relation to the Offer, please contact the EganStreet Shareholder Information Line on 1300 383 849 (toll free) (within Australia) or +61 3 9415 4179 (callers outside Australia). Please note these calls may be recorded.</p> <p>The information in this Section is a summary only of the Offer and is qualified by the detailed information set out elsewhere in this Bidder's Statement.</p> <p>You should read the entire Bidder's Statement and the Target's Statement from EganStreet, before deciding whether to accept the Offer.</p>

4. Overview of Silver Lake's Offer

4.1. SUMMARY OF THE OFFER

4.1.1. The Bidder and the Offer

The Offer is being made by Silver Lake Resources Limited. If you accept the Offer, you will receive 0.27 Silver Lake Shares for every one (1) EganStreet Share you hold in accordance with the Offer Terms set out in Appendix A to this Bidder's Statement.

The Offer relates to EganStreet Shares that exist as at the Register Date, 14 August 2019, and to EganStreet Shares that are issued between the Register Date and the end of the Offer Period as a result of the conversion of or exercise of rights under other EganStreet securities (including the EganStreet Options or EganStreet Performance Rights).

4.1.2. Offer Period

The Offer is currently scheduled to close at 7.00 pm (Sydney time) on [●] September 2019 (but it may be extended or withdrawn in accordance with the Corporations Act).

4.1.3. Payment date

Subject to Appendix A, clause A5(c) and A5(f) and the Corporations Act, if the contract resulting from your acceptance of the Offer is or becomes Unconditional, Silver Lake will provide the Offer Consideration to which you are entitled on acceptance of the Offer on or before the earlier of:

- (a) one month after the date the Offer is validly accepted by you or, if the Offer is subject to a defeating Condition when you validly accept this Offer, within one month after the Offer becomes Unconditional; and
- (b) 21 days after the end of the Offer Period.

Subject to the Corporations Act and the Offer becoming Unconditional, Silver Lake will use reasonable endeavours to provide the Offer Consideration to you within 7 days of the above events in Sections 4.1.3(a) and (b).

If you accept the Offer and you are a Foreign Shareholder (i.e. you are resident outside Australia), or you are a Small Parcel Shareholder, you will not be entitled to receive Silver Lake Shares as consideration for your EganStreet Shares. In these circumstances, the Silver Lake Shares which would otherwise have been issued to you pursuant to the Offer will instead be issued to a Nominee, who will sell those Silver Lake Shares and remit the net proceeds of such sale to you in cash (refer to Sections 11.18 and 11.19).

4.1.4. Conditions

The Offer is subject to the following Conditions:

- (a) Minimum Acceptance Condition

At or before the end of the Offer Period, Silver Lake and its Associates together have Relevant Interests in at least 90% of all EganStreet Shares on issue.

(b) No action by Public Authority materially adversely affecting the Offer

Between the Announcement Date and the end of the Offer Period:

- (1) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- (2) no action or investigation is commenced by any Public Authority; and
- (3) no application is made to any Public Authority (other than by Silver Lake or any of the Silver Lake Group),

(other than an application to, or a decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of Chapter 6A, 6B or 6C of the Corporations Act or relating to unacceptable circumstances within the meaning of section 657A of the Corporations Act in consequence of, or in connection with, the Offer) which restrains, impedes or prohibits (or if granted could restrain, impede or prohibit), or otherwise materially adversely impacts upon, the making of the Offer, the acquisition of EganStreet Shares under the Offer or any transaction contemplated by the Bidder's Statement, the Offer or the rights of Silver Lake in respect of EganStreet, or requires the divestiture by any entity within the Silver Lake Group of any EganStreet Shares, or requires the divestiture of any assets of the Silver Lake Group or EganStreet Group.

(c) No material adverse change

Between the Announcement Date and the end of the Offer Period, no act, omission, event, change, matter, circumstance or condition occurs, is announced or becomes known to Silver Lake (whether or not it becomes public) where (whether individually or aggregated with other acts, omissions, events, changes, matters, circumstances) has or has resulted in, or could reasonably be expected to have or result in, a material adverse effect on:

- (1) the assets, financial or trading position, profitability or prospects of the EganStreet Group, taken as a whole; or
- (2) the status or terms of any material approvals, licences, tenements or permits issued by any Public Authority to any entity within the EganStreet Group, other than changes, events or conditions:
- (3) required or permitted by the Bid Implementation Deed, the Offer or the transactions contemplated by them;
- (4) fully and Fairly Disclosed by EganStreet in an ASX announcement or otherwise to Silver Lake in writing prior to execution of the Bid Implementation Deed;
- (5) which do not relate specifically to the EganStreet Group and which are beyond the control of EganStreet and which arise from:
 - (A) changes in commodity prices, exchange rates or interest rates; or
 - (B) general economic, political or business conditions; or
 - (C) changes in laws, regulations and standards (including accounting standards); or
- (6) which took place with the prior written consent of Silver Lake.

(d) No material acquisitions, disposals or new commitments

Between the Announcement Date and the end of the Offer Period (each inclusive), neither EganStreet nor any Subsidiary of EganStreet, other than with the prior written consent of Silver Lake:

- (1) acquires, offers to acquire or agrees to acquire one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount in aggregate greater than the Specified Amount;
- (2) disposes of, offers to dispose of or agrees to dispose of one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than the Specified Amount;
- (3) enters into, agrees to enter into or announces any agreement to enter into any contract, commitment or arrangement, joint venture or partnership that:
 - (A) requires payments, expenditure or the foregoing of revenue by EganStreet and/or any of its Subsidiaries of an amount in excess of A\$150,000 on any individual basis or which is, in aggregate, greater than the Specified Amount; or
 - (B) is material in the context of the EganStreet Group and is not in the ordinary course of business;
- (4) enters into or agrees to enter into, terminates or agrees to terminate a contract, commitment or arrangement for the provision of services or a licence to a third party that is a new or existing customer that results in EganStreet and/or any of its Subsidiaries incurring costs greater than A\$150,000 on an individual basis or is, in aggregate, greater than the Specified Amount for the entire term of such contract, commitment or arrangement;
- (5) provides or agrees to provide financial accommodation or a guarantee, other than to entities within the EganStreet Group for any amount, or receives financial accommodation other than from entities within the EganStreet Group for any amount;
- (6) enters into, amends, or agrees to enter into or amend any material contract, commitment or other arrangement with a related party (as defined in section 228 of the Corporations Act) of EganStreet;
- (7) incurs, agrees to incur or bring forward the time for incurring, or granting to a third party a right the exercise of which would involve EganStreet or a Subsidiary incurring or agreeing to incur an amount of capital expenditure in excess of the Specified Amount, other than capital expenditure that has been announced by EganStreet to ASX prior to the Announcement Date;
- (8) gives or agrees to give any Encumbrance over any of its assets (or an interest in any of its assets), other than liens in the ordinary and usual course of business;
- (9) does any of the following in respect of the Tenements:
 - (A) enters into, agrees to enter into or announces any agreement to enter into any contract, commitment or arrangement (including without limitation any ore sale, ore processing, joint venture, partnership, farm-in, royalty, marketing, or off-take agreement) in relation to any of the Tenements;
 - (B) relinquishes, sells or disposes of any interest or creates any Encumbrance over any of the Tenements;
 - (C) takes any action or omits to take any action that results in or may reasonably be expected to result in a breach of the terms any of the Tenements or any environmental authority relating to any of the Tenements; or
 - (D) takes any action or omits to take any action that results in or may reasonably be expected to result in the surrender of any of the Tenements or any environmental authority relating to any of the Tenements; or
- (10) without limiting sub-paragraphs (d)(1) to (d)(9) above:

- (A) enters into, offers to enter into, agrees to enter into or announces any agreement for any transaction; or
 - (B) is otherwise affected by any transaction or proposal,
 - (C) under which any third party would acquire any legal or economic interest in, or there would be any material diminution in, the rights granted under any tenement held by any entity within the EganStreet Group,
- (11) announces an intention to do any of the matters referred to in sub-paragraphs (d)(1) to (d)(9) above,
- other than:
- (12) where required or permitted by the Bid Implementation Deed; or
 - (13) as fully and Fairly Disclosed by EganStreet in an ASX announcement or to Silver Lake in writing prior to execution of the Bid Implementation Deed.
- (e) No change of control rights

Between the Announcement Date and the end of the Offer Period, no person has or will have any right as a result of Silver Lake making the Offer or acquiring EganStreet Shares under the Offer, to:

- (1) acquire, or require the disposal of, or require any entity within the EganStreet Group to offer to dispose of, any material asset of any entity within the EganStreet Group;
- (2) terminate, or vary the terms or performance of, any material agreement with any entity within the EganStreet Group;
- (3) terminate, or vary the terms of any material approvals, licenses or permits issued by any Public Authority to any entity within the EganStreet Group; or
- (4) require repayment of any moneys borrowed by or any other indebtedness of any entity within the EganStreet Group earlier than its stated maturity date, or withdraw or inhibit the ability of any entity within the EganStreet Group to borrow moneys or incur indebtedness;
- (5) other than a right in respect of which a written, enforceable, irrevocable and unconditional waiver has been obtained and disclosed to the ASX or as fully and Fairly Disclosed by EganStreet.

- (f) No material breach of the Bid Implementation Deed by EganStreet

Between the Announcement Date and the end of the Offer Period, Silver Lake does not become entitled to terminate the Bid Implementation Deed as a result of any material breach of the Bid Implementation Deed or of the representations and warranties given by EganStreet under the Bid Implementation Deed becoming untrue or incorrect in any material respect.

- (g) No Prescribed Occurrences

During the period from the date on which this Bidder's Statement is given to EganStreet and the end of the Offer Period (each inclusive), none of the following events occur:

- (1) EganStreet converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (2) EganStreet or a Subsidiary of EganStreet resolves to reduce its share capital in any way;
- (3) EganStreet or a Subsidiary of EganStreet enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;

- (4) EganStreet or a Subsidiary of EganStreet issues shares (other than as a result of the exercise of EganStreet Options or EganStreet Performance Rights) or grants an option over its shares, or agrees to make such an issue or grant such an option;
 - (5) EganStreet or a Subsidiary of EganStreet issues, or agrees to issue, convertible notes;
 - (6) EganStreet or a Subsidiary of EganStreet disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
 - (7) EganStreet or a Subsidiary of EganStreet charges, or agrees to charge, the whole, or a substantial part, of its business or property;
 - (8) EganStreet or a Subsidiary of EganStreet resolves to be wound up;
 - (9) a liquidator or provisional liquidator of EganStreet or of a Subsidiary of EganStreet is appointed;
 - (10) a court makes an order for the winding up of EganStreet or of a Subsidiary of EganStreet;
 - (11) an administrator of EganStreet or of a Subsidiary of EganStreet is appointed under section 436A, 436B or 436C of the Corporations Act;
 - (12) EganStreet or a Subsidiary of EganStreet executes a deed of company arrangement; or
 - (13) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of EganStreet or a Subsidiary of EganStreet, provided that a Prescribed Occurrence will not include any matter:
 - (14) expressly permitted by the Bid Implementation Deed; or
 - (15) the undertaking of which Silver Lake has previously approved in writing.
- (h) No Financing Arrangement or Alternate Processing Arrangement
- Between the Announcement Date and the end of the Offer Period (each inclusive), neither EganStreet nor any Subsidiary of EganStreet, other than with the prior written consent of Silver Lake:
- (1) gives or agrees to give any Encumbrance over any of its assets (or an interest in any of its assets) or enters into financing arrangements of any sort, whether in the ordinary and usual course or otherwise, in support of or for an amount equal to or more than A\$1,000,000; or
 - (2) enters into or agrees to enter into any transaction between EganStreet and a Third Party for an alternate processing option for Rothsay, including leasing or toll treating, which is substantially different than the processing option set out in EganStreet’s disclosure to the ASX prior to the execution date of the Bid Implementation Deed including the “updated definitive feasibility study” outcomes announced on 12 February 2019.
- (i) Third Party Consents
- Prior to the end of the Offer Period, all Third Party Consents are obtained (and are not withdrawn or revoked) in respect of implementation of the Offer.
- (j) Options Offer
- Prior to the date which is seven (7) days before end of the Offer Period each EganStreet Optionholder accepts the Options Offer for all of their EganStreet Options.

4.1.5. Foreign Shareholders and Small Parcel Shareholders

If you accept the Offer and you are a Foreign Shareholder (i.e. you are resident outside Australia), or you are a Small Parcel Shareholder, you will not be entitled to receive Silver Lake Shares as consideration for EganStreet Shares held by you pursuant to the Offer. In these circumstances, the Silver Lake Shares

which would otherwise have been issued to you will instead be issued to a Nominee, who will sell those Silver Lake Shares and remit the net proceeds of such sale to you in cash. See Appendix A, clause A5(f) to this Bidder's Statement for further details.

4.2. HOW TO ACCEPT THE OFFER

Before you accept the Offer, you should read all information provided to you by Silver Lake and EganStreet. If you need advice, consult your broker or legal, financial or other professional adviser.

How you accept the Offer depends on whether your EganStreet Shares are in an Issuer Sponsored Holding or a CHESS Holding. You will have been sent a personalised Acceptance Form with this Bidder's Statement (an Issuer Acceptance Form or a CHESS Acceptance Form) which is the form you should use in relation to your EganStreet Shares:

- (a) If you hold your EganStreet Shares in an Issuer Sponsored Holding (your SRN starts with an "I"), to accept the Offer you must complete, sign and return the accompanying Issuer Acceptance Form in accordance with the instructions on it and return it to the address indicated on the form (and set out below) before the end of the Offer Period.
- (b) If you hold your EganStreet Shares in a CHESS Holding (your HIN starts with an "X") to accept the Offer you must either:
 - (1) instruct your Controlling Participant (for example, your Broker) to initiate acceptance of the Offer on your behalf in sufficient time for the Offer to be accepted before the end of the Offer Period; or
 - (2) complete, sign and return the accompanying CHESS Acceptance Form in accordance with the instructions on it and return it to the address indicated on the form (and set out below) so that it is received before 7.00 pm (Sydney time) on the last day of the Offer Period to authorise Silver Lake to initiate, or alternatively to instruct your Controlling Participant (usually your Broker) to initiate acceptance of the Offer on your behalf.
- (c) If you are a Broker or a Controlling Participant, to accept the Offer you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.
- (d) If some of your EganStreet Shares are in an Issuer Sponsored Holding and some in a CHESS Holding, please see Appendix A, clause A4(b) for instructions on how to accept the Offer.

The address for completed Acceptance Forms is as follows:

By post:

Silver Lake Resources Limited
C/- Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

A reply paid envelope is enclosed for your convenience. The transmission of the Acceptance Form and other documents is at your own risk.

Further details are set out in Appendix A, clause A4.

5. Profile of Silver Lake

5.1. PROFILE OF SILVER LAKE

This Section of the Bidder's Statement contains information in relation to Silver Lake as at the date of the Bidder's Statement.

5.2. OVERVIEW OF SILVER LAKE

Silver Lake was incorporated in 2004 and has been listed on the ASX since 14 November 2007. Silver Lake Shares trade under the ASX code SLR.

Silver Lake is a gold producing and exploration company which operates Mount Monger and Deflector in the tier one mining jurisdiction of Western Australia. Silver Lake has a growth focused strategy aimed at maximising the value of existing operations and creating new opportunities to compete for capital.

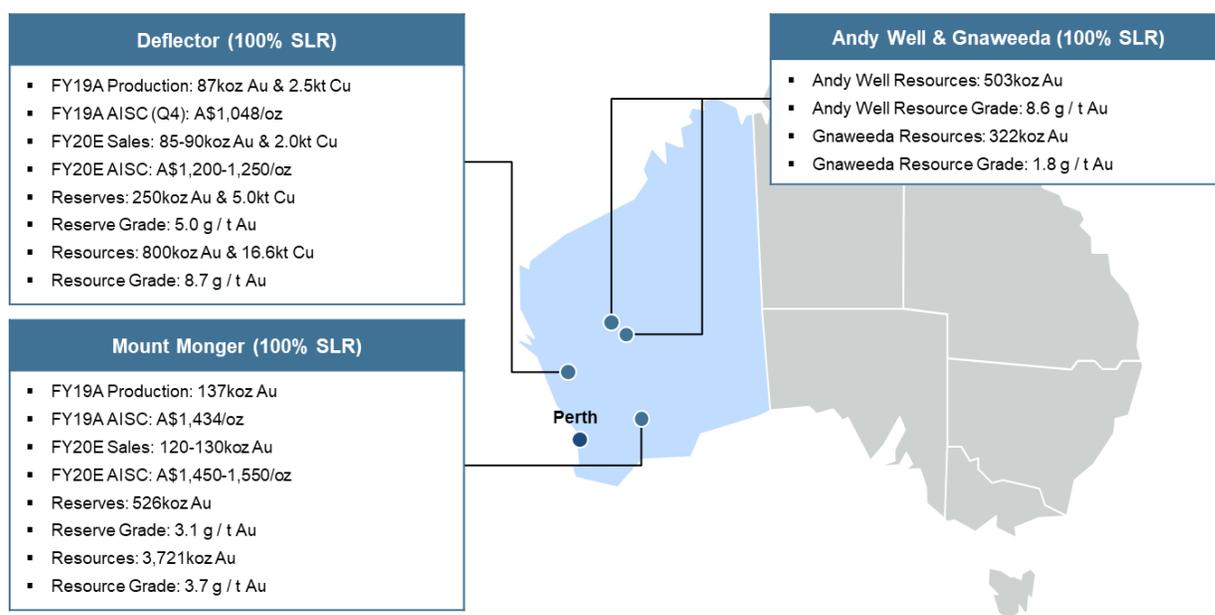
As at 13 August 2019, the last practicable day before the Date of this Bidder's Statement, Silver Lake had a basic market capitalisation of \$1.05 billion and is well capitalised with a substantial cash and bullion balance of approximately \$131.7 million and no bank debt as at 30 June 2019⁷.

Silver Lake has a highly experienced and successful board and management team with skill sets covering most facets of the resource sector.

5.3. OVERVIEW OF PROJECTS

Silver Lake's two core assets are Mount Monger and Deflector.

Figure 8: Overview of Silver Lake's Asset Portfolio



⁷ As reported in Silver Lake's June Quarterly dated 30 July 2019.

5.3.1. Mount Monger (100% Silver Lake)

Mount Monger is located approximately 50km southeast of Kalgoorlie and is a highly endowed gold operation with multiple mines and a history of Reserve replacement and discovery.

Silver Lake currently operates three independent Mining Centres at Mount Monger:

- Daisy Mining Centre (underground)
- Mount Belches Mining Centre (underground)
- Aldiss Mining Centre (open pit)

Ore from the three mining centres at Mount Monger are transported to the 1.3Mtpa Randalls Mill (conventional crush, grind CIP plant).

Figure 9: Mount Monger Mining Centres and Randalls Mill

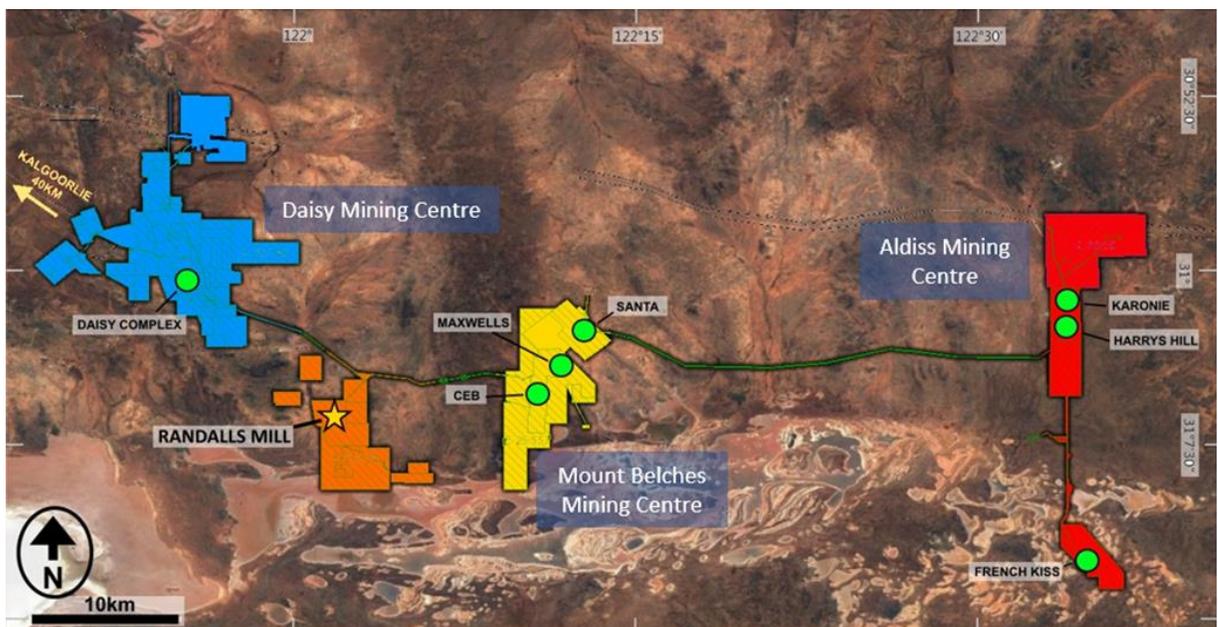


Figure 10: Mount Monger Mine and Mill Statistic

Metric	FY19	FY18	FY17	FY16
Ore mined (t)	1,419,100	1,269,722	1,306,508	1,286,196
Mined grade (g/t)	3.5	4.2	3.5	3.4
Contained gold (oz)	158,549	171,616	148,244	141,165
Ore milled (t)	1,229,195	1,256,120	1,300,152	1,236,600
Milled grade (g/t)	3.7	4.2	3.5	3.5
Recovery (%)	95	92	93	95
Gold produced (oz)	136,767	157,936	135,837	131,109
Gold sales (oz)	141,006	151,250	137,000	132,400

Mount Monger has a >10 year track record of production under Silver Lake ownership. Sales guidance for FY20 is 120,000 to 130,000 ounces of gold with an AISC of A\$1,450 to A\$1,550/oz⁸.

The FY20 exploration budget for Mount Monger is \$10 million and will predominantly focus on aggressively advancing near term development opportunities including Easter Hollows, Santa and Tank all of which have been successfully advanced over the past 12-24 months and have the potential to enhance the production and margin profile at Mount Monger in FY21 and beyond⁹.

5.3.2. Deflector (100% Silver Lake)

Deflector is located in the Southern Murchison region of Western Australia, 400km north of Perth and approximately 50km south-west of Yalgoo. Deflector is a structurally controlled, shallow, narrow vein, high-grade gold and copper underground mine. The Deflector underground mine is a recent development with first underground production in the March quarter of 2017.

The Deflector processing facility comprises a 3 stage closed crushing circuit, ball mill, gravity gold circuit and conventional copper float circuit. The plant has a design hard rock capacity of approximately 460,000 tonnes per annum which has consistently been exceeded over the past 12 months and is permitted to a capacity of 700,000 tonnes per annum.

Figure 11: Deflector Mine and Mill Statistics

Metric	FY19 ¹⁰	FY18	FY17
Ore milled (t)	607,116	549,960	444,987
Gold grade (g/t)	5.0	4.2	4.5
Copper grade (%)	0.5	0.7	1.6
Gold recovery (%)	90	87	81
Copper recovery (%)	91	85	66
Gold produced (oz)	87,102	64,593	49,129
Copper produced (t)	2,520	3,413	4,599

Deflector is forecast to sell between 85,000 to 90,000 ounces gold and 2,000 tonnes copper for 95,000 to 100,000 ounces gold equivalent¹¹ in FY20 with an AISC of A\$1,200 to A\$1,250/oz.

Exploration expenditure in FY20 at Deflector is expected to be \$8 million, including both surface and underground exploration. The primary focus of drilling will be infilling and extending mineralisation identified by the successful FY19 exploration program which extended “Deflector” style mineralisation to the south and west beyond the current Mineral Resource envelope. The southern extent of Deflector (which remains open) has the potential to add to the current 4 year base case Deflector mining schedule which is supported by Measured and Indicated Mineral Resources⁸.

5.3.3. Other Assets

Silver Lake owns the Andy Well and Gnaweeda gold projects located in the northern Murchison region of Western Australia. The Andy Well project and associated infrastructure was transitioned to care and maintenance in November 2017.

⁸ As reported in Silver Lake’s June Quarterly dated 30 July 2019.

⁹ For further details refer ASX release 30 July 2019, June 2019 Quarterly Activities Report

¹⁰ Deflector was acquired by Silver Lake pursuant to the Doray merger in April 2019 with prior production statistics as reported by Doray Minerals.

¹¹ Guidance for Silver Lake, including gold equivalent calculation and methodology and assumptions, set out in Silver Lake June Quarterly ASX announcement dated 30 July 2019.

5.4. SILVER LAKE MINERAL RESOURCES AND ORE RESERVES STATEMENT

Figure 12: Silver Lake Mineral Resources Statement

Ounces and grade expressed in units of gold	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)
Mount Monger	2,200	5.3	377	17,488	3.3	1,860	11,379	4.1	1,485	31,067	3.7	3,721
Andy Well	127	13.7	56	1,063	9.2	315	628	6.6	134	1,817	8.6	503
Gnaweeda	-	-	-	1,200	2.6	101	4,300	1.6	221	5,500	1.8	322
Deflector	453	8.7	127	1,179	10.2	387	1,220	7.3	287	2,851	8.7	800
Total	2,780	6.3	560	20,930	4.0	2,663	17,527	3.8	2,127	41,235	4.0	5,346

Metal and grade expressed in units of copper	Measured Mineral Resources			Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)
Mount Monger	-	-	-	-	-	-	-	-	-	-	-	-
Andy Well	-	-	-	-	-	-	-	-	-	-	-	-
Gnaweeda	-	-	-	-	-	-	-	-	-	-	-	-
Deflector	453	1.2%	5.5	1,179	0.5%	6.0	1,220	0.4%	5.0	2,851	0.6%	16.6
Total	453	1.2%	5.5	1,179	0.5%	6.0	1,220	0.4%	5.0	2,851	0.6%	16.6

Figure 13: Silver Lake Ore Reserves Statement

Ounces and grade expressed in units of gold	Proved Ore Reserves			Probable Ore Reserves			Total Ore Reserves		
	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)
Mount Monger	1,319	2.9	124	3,937	3.2	402	5,256	3.1	526
Deflector	300	4.3	41	1,300	5.1	210	1,600	5.0	250
Total	1,619	3.2	165	5,237	3.7	612	6,856	3.6	776

Metal and grade expressed in units of copper	Proved Ore Reserves			Probable Ore Reserves			Total Ore Reserves		
	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)	Ore Tonnes ('000s)	Grade (% Cu)	Metal Tonnes ('000s)
Mount Monger	-	-	-	-	-	-	-	-	-
Deflector	300	0.5%	1.5	1,300	0.3%	3.5	1,600	0.3%	5.0
Total	300	0.5%	1.5	1,300	0.3%	3.5	1,600	0.3%	5.0

Notes:

- (1) Refer ASX Announcement “Mineral Resource and Ore Reserve Statement”, 24 August 2018, for Competent Person’s Consent, material assumptions and technical parameters underpinning the Silver Lake Mineral Resource and Ore Reserve Estimate for Mount Monger.
- (2) Refer Doray Minerals ASX Announcements “Annual Mineral Resources and Ore Reserves Statement”, 11 July 2018 and “100,000oz Da Vinci High-Grade Resource”, 20 September 2018, for Competent Person’s Consent, material assumptions and technical parameters underpinning the Silver Lake Mineral Resource and Ore Reserve Estimate for Deflector, Andy Well and Gnaweeda.

5.5. DIRECTORS OF SILVER LAKE

The Silver Lake Directors as at the Date of this Bidder's Statement are listed below. Further information on each of the Silver Lake Directors who will comprise the Enlarged Group Board is contained in Section 7.3 of this Bidder's Statement.

Figure 14: Silver Lake Board of Directors

Name	Current position
David Quinlivan	Non-Executive Chairman
Luke Tonkin	Managing Director
Les Davis	Non-Executive Director
Kelvin Flynn	Non-Executive Director
Peter Alexander	Non-Executive Director

5.6. HISTORICAL AND PRO FORMA FINANCIAL INFORMATION

The historical financial information, and the pro forma historical information, below relates to Silver Lake on a standalone basis and accordingly does not reflect any impact of the Offer (i.e. it excludes EganStreet).

Silver Lake's audited 30 June 2019 financial accounts are not yet available at the Date of this Bidder's Statement. The following historical financial information has been extracted from the auditor reviewed financial statements of Silver Lake for the financial periods ended 31 December 2017 and 31 December 2018.

The unaudited pro forma balance sheet of Silver Lake at 31 December 2018 comprises the auditor reviewed balance sheet of Silver Lake on that date adjusted for the acquisition of Doray Minerals (completed by Silver Lake on 5 April 2019) as if the transaction had occurred on 31 December 2018.

The financial information presented in the tables below does not represent complete financial statements and should therefore be read in conjunction with the financial statements for the respective periods, including the description of accounting policies contained in those financial statements and the notes to those financial statements. Where appropriate, adjustments have been made to headings and classifications of historical data to provide a consistent basis of presentation. The pro-forma historical information is provided for illustrative purposes only and is presented in abbreviated form and does not contain all the disclosures required by the Australian Accounting Standards applicable to annual or half yearly reports prepared in accordance with the Corporations Act.

In the interval between 31 December 2018 and the Date of this Bidder's Statement, there has not arisen any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of Silver Lake, to significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future financial years, other than the acquisition of Doray Minerals (completed by Silver Lake on 5 April 2019) and which is adjusted for as set out in Section 5.6.1 or as otherwise disclosed in subsequent filings on ASX.

Copies of Silver Lake's financial statements are available on the Silver Lake website (www.silverlakeresources.com.au). Copies will also be provided by Silver Lake, free of charge, to any EganStreet Shareholder who requests it before the end of the Offer Period.

5.6.1. Statement of financial position

Set out below is Silver Lake's statement of financial position as at 31 December 2017 and 31 December 2018 together with an unaudited pro forma 31 December 2018 statement of financial position that includes adjustments for the Doray Minerals transaction which completed on 5 April 2019.

Figure 15: Silver Lake statement of financial position for the last two interim financial periods including pro forma adjusted for Doray Minerals transaction				
A\$'000	SLR Standalone as at 31 Dec 2017	SLR Standalone as at 31 Dec 2018	Pro-Forma Adjustments for Doray Acquisition	Pro-Forma Silver Lake as at 31 Dec 2018
Current assets				
Cash and cash equivalents	56,161	96,471	13,333	109,804
Trade and other receivables	12,170	6,392	3,439	9,831
Inventories	25,965	22,591	14,137	36,728
Total current assets	94,296	125,454	30,909	156,363
Non-current assets				
Inventories	1,868	1,868	-	1,868
Exploration, evaluation and development expenditure	97,752	92,860	136,359	229,219
Property, plant and equipment	37,326	37,567	42,206	79,773
Investments	11,655	6,646	367	7,013
Intangible assets	-	-	92,187	92,187
Total non-current assets	148,601	138,941	271,119	410,060
Total assets	242,897	264,395	302,028	566,423
Current liabilities				
Trade and other payables	32,536	34,697	15,220	49,917
Interest bearing liabilities	68	-	859	859
Provisions	2,053	2,322	2,912	5,234
Rehabilitation and restoration provision	1,487	-	-	-
Total current liabilities	36,144	37,019	18,991	56,010
Non-current liabilities				
Interest bearing liabilities	-	-	-	-
Rehabilitation and restoration provision	14,631	16,684	22,422	39,106
Total non-current liabilities	14,631	16,684	22,422	39,106
Total liabilities	50,775	53,703	41,413	95,116
Net assets	192,122	210,692	260,615	471,307
Equity				
Share capital	699,564	699,564	260,615	960,179
Reserves	1,445	1,958	-	1,958
Accumulated losses	(508,887)	(490,830)	-	(490,830)
Total equity	192,122	210,692	260,615	471,307

5.6.2. Statement of profit or loss and other comprehensive income

Set out below is Silver Lake's statement of profit or loss and other comprehensive income for the financial periods ended 31 December 2017 and 31 December 2018.

Figure 16: Silver Lake statement of profit or loss and other comprehensive income for the last two interim financial periods

A\$'000	31-Dec-17	31-Dec-18
Revenue	114,708	119,821
Cost of sales	(105,522)	(106,610)
Gross profit	9,186	13,211
Other income	53	1
Profit/(loss) on sale of assets	9	-
Exploration expenditure	(1,586)	(1,296)
Administrative expenses	(5,110)	(6,564)
Results from operating activities	2,552	5,352
Finance income	381	549
Finance expenses	(802)	(1,899)
Net finance costs	(421)	(1,350)
Profit before income tax	2,131	4,002
Income tax expense	-	-
Profit for the year	2,131	4,002

5.6.3. Statement of cash flows

Set out below is Silver Lake's statement of cash flows for the financial periods ended 31 December 2017 and 31 December 2018.

Figure 17: Silver Lake statement of cash flows for the last two interim financial periods

A\$'000	31-Dec-17	31-Dec-18
Cash flows from operating activities		
Receipts from sales	111,873	115,871
Payments to suppliers and employees	(81,726)	(86,199)
Net cash from operating activities	30,147	29,672
Cash flow from investing activities		
Interest received	381	549
Acquisition of plant and equipment	(4,480)	(5,357)
Proceeds from sale of non-current assets	1,509	-
Acquisition of investment	-	(159)
Exploration, evaluation and development expenditure	(30,464)	(26,184)
Net cash used in investing activities	(33,054)	(31,151)
Cash flows from financing activities		
Stamp duty paid	(2,057)	-
Interest paid	(71)	(9)
Net cash used in financing activities	(2,128)	(9)

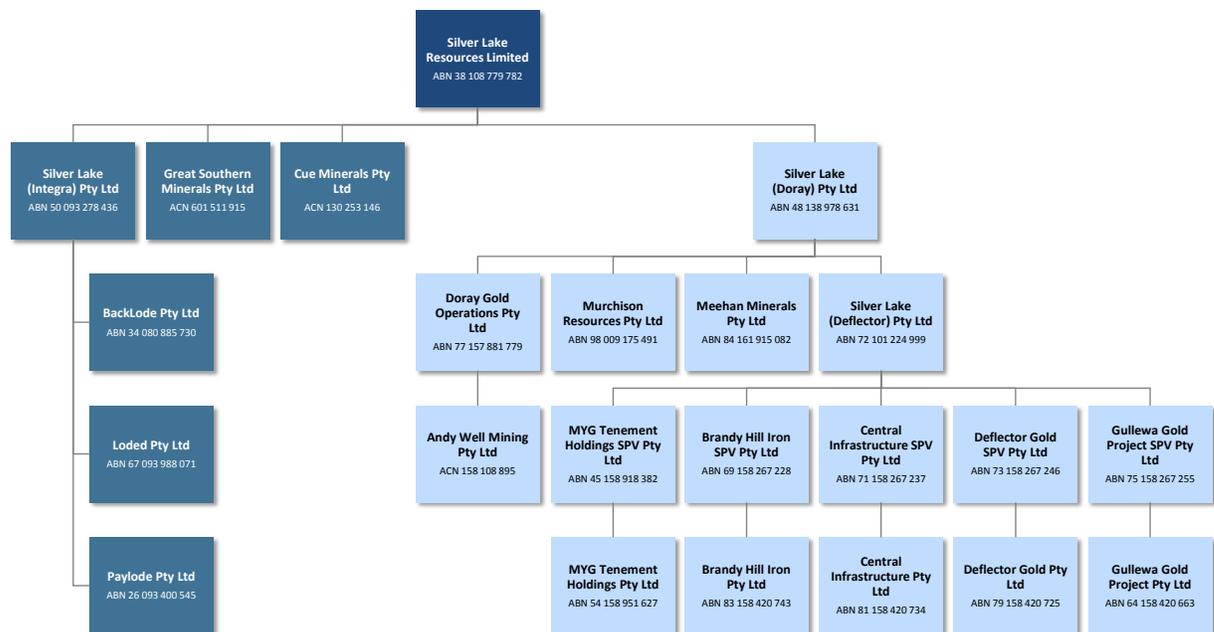
Net decrease in cash and cash equivalents	(5,035)	(1,488)
Cash and cash equivalents at beginning of financial year	61,196	97,959
Cash and cash equivalents at end of interim financial year	56,161	96,471

5.7. CORPORATE STRUCTURE OF SILVER LAKE

Silver Lake has a number of subsidiary entities, all of which are incorporated in Australia. A summary of the Silver Lake Group's corporate structure is below. Silver Lake has a 100% ownership interest in all subsidiary entities.

The Silver Lake corporate structure outlined below includes the changes post completion of the merger with Doray Minerals (refer to Section 5.6.1 for the pro forma adjustments for this acquisition).

Figure 18: Silver Lake corporate structure



5.8. INFORMATION ABOUT SILVER LAKE'S SECURITIES

5.8.1. Silver Lake Shares

As at the Date of this Bidder's Statement, Silver Lake had 818,439,095 Silver Lake Shares on issue.

5.8.2. Silver Lake Performance Rights

As at the Date of this Bidder's Statement, Silver Lake had 7,171,318 Silver Lake Performance Rights on issue.

5.9. SILVER LAKE'S SUBSTANTIAL SHAREHOLDERS

Based on information lodged with ASX or known to Silver Lake, the following persons had a Relevant Interest in 5% or more of the Silver Lake Shares on issue as at the last practical date before the Date of this Bidder's Statement:

Figure 19: Silver Lake substantial shareholders

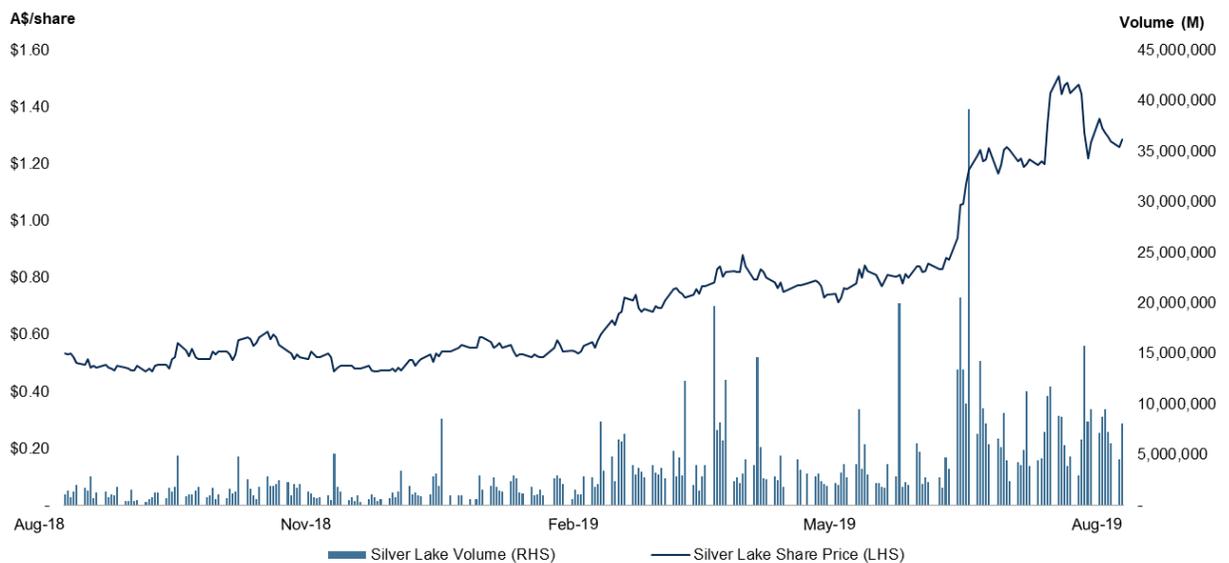
Silver Lake Shareholder	Number of Silver Lake Shares Held	Percentage of Issued Silver Lake Shares
Ruffer LLP (on behalf of CF Ruffer Gold Fund)	77,555,876	9.48%
Paradice Investment Management	56,538,472	6.91%
Mitsubishi UFJ Financial Group	53,655,861	6.56%
Van Eck Vectors Junior Gold Miners ETF (GDJ) and Van Eck Vectors UCITS ETF (UCTGDJ)	47,804,665	5.84%

5.10. SILVER LAKE SHARE TRADING HISTORY

The latest recorded sale price of Silver Lake Shares traded on ASX before the Date of this Bidder's Statement, was \$1.29 on 13 August 2019.

The following chart shows the closing price and volume traded of Silver Lake on the ASX over the last 12 months, to the day before the Date of this Bidder's Statement.

Figure 20: Silver Lake share price performance and volumes



During the three month period immediately preceding the Date of this Bidder's Statement the highest and lowest recorded sale prices of Silver Lake Shares on ASX were, respectively, \$1.51 on 23 July 2019 and \$0.77 on 22 May 2019.

The Silver Lake Share prices given above should not be taken as necessarily being an indication of the likely Silver Lake Share price following the acquisition.

5.11. LEGAL DISPUTES

Silver Lake is not involved in any material legal disputes and is not a party to any material litigation as at the Date of this Bidder's Statement.

5.12. RIGHTS ATTACHING TO SILVER LAKE SHARES

A summary of the principal rights attaching to Silver Lake Shares is below. This summary does not purport to be exhaustive or to constitute a definitive statement of the rights and liabilities of Silver Lake Shareholders. The rights and liabilities are set out in the constitution of Silver Lake and, in certain circumstances, are regulated by the Corporations Act and the ASX Listing Rules and general law.

(a) Silver Lake share capital

Any rights and restrictions attached to a class of shares are subject to the ASX Listing Rules and the Corporations Act, and any unissued shares in the capital of Silver Lake may be issued or allotted on any terms and with such rights as the Silver Lake Board may from time to time determine.

(b) Alteration of Silver Lake share capital

The Silver Lake Board may do anything to give effect to any resolution altering Silver Lake's share capital.

(c) General meetings and notices

Each holder of Silver Lake Shares is entitled to receive notice of, and to attend and vote at, general meetings of Silver Lake and to receive all notices, accounts and other documents required to be sent to shareholders under the constitution of Silver Lake, the Corporations Act and the ASX Listing Rules. At a general meeting, holders of Silver Lake Shares are entitled to be present in person, or by proxy, attorney or (in the case of a body corporate) by representative.

(d) Voting rights

At a general meeting, subject to the constitution of Silver Lake and any rights and restrictions attached to any Silver Lake Share, on a show of hands each shareholder present in person or by proxy or attorney or by duly authorised representative has one vote, except that if the shareholder has two appointed proxies, then neither proxy may vote. Subject to the constitution of Silver Lake and any rights or restrictions attached to a class of Silver Lake Shares, on a poll, each shareholder has one vote for each fully paid Silver Lake Share held, and for each partly paid Silver Lake share held a vote in respect of the Silver Lake share which carries the same proportionate value as the proportion of the amount paid up on that share to the total issue price of that share.

(e) Dividends

The Silver Lake Board may declare a dividend to be paid to the shareholders. To the extent permitted by law, the Silver Lake Board may resolve to pay a dividend out of any available account including the capital of Silver Lake. Subject to any rights or restrictions attached to a class of shares, dividends are payable on all Silver Lake Shares in proportion to the amount of the total issue price paid up in respect of the Silver Lake Shares.

(f) Rights on winding up

Subject to any rights or restrictions attached to a class of Silver Lake shares, if Silver Lake is wound up, the liquidator may, with the authority of a special resolution, divide among the shareholders in kind the whole or any part of the property of Silver Lake, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders.

(g) Transfer of Silver Lake Shares

Silver Lake Shares may be transferred by:

- (1) an instrument in writing in any usual form, or in a form approved by the Silver Lake Board that is otherwise permitted by law, that has been executed by or on behalf of the transferor; or
- (2) a proper transfer effected in accordance with an electronic system recognised by the ASX Settlement Operating Rules, the Corporations Act or the ASX Listing Rules as being for the purpose of facilitating dealings in shares.

The Silver Lake Board may refuse to register a transfer of shares where the transfer is not in registrable form, Silver Lake has a lien on any of the shares being transferred, the transfer is paper-based and its registration will result in the creation of a non-marketable parcel, the transfer is not permitted under the terms of issue of the share, or Silver Lake is otherwise permitted or required to do so under the ASX Listing Rules or terms of issue of the shares.

(h) Variation of rights attaching to Silver Lake Shares

Subject to their terms of issue, the rights attaching to any class of shares in Silver Lake may be varied with the written consent of holders of 75% or more of the shares in the class, or by a special resolution passed at a separate meeting of the holders of shares of the class.

The rights conferred on the holders of any class of shares are to be taken as not having been varied by the creation or issue of further shares ranking equally with them.

(i) Unmarketable parcels

The constitution permits Silver Lake to sell the shares held by a shareholder if they comprise less than a marketable parcel within the meaning of the ASX Listing Rules. If a shareholder does not want its Silver Lake Shares sold, that shareholder may notify Silver Lake in accordance with the instructions provided by Silver Lake.

(j) Alteration of Silver Lake constitution

Silver Lake may modify or repeal its constitution, or a provision of its constitution, by special resolution.

5.13. SILVER LAKE'S ANNOUNCEMENTS AND REPORTS

Due to the fact that Silver Lake is offering Silver Lake Shares as consideration for the acquisition of EganStreet Shares, the Corporations Act requires that this Bidder's Statement must include all information that would be required for a prospectus for an offer of Silver Lake Shares under sections 710 to 713 of the Corporations Act. Silver Lake does not need to issue a prospectus for the Offer of the Silver Lake Shares as the Offer is occurring under a takeover bid.

Silver Lake is a disclosing entity (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, Silver Lake 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 the value of Silver Lake Shares.

Silver Lake Shares have been quoted on the ASX during the 12 months prior to the Date of this Bidder's Statement. For this reason, Silver Lake is only required to disclose information in this Bidder's Statement that would usually be required where its shares have been continuously quoted securities.

In general terms, where Silver Lake Shares are continuously quoted securities the Bidder's Statement is only required to contain information in relation to the effect of the Offer on Silver Lake and the rights and liabilities attaching to the Silver Lake Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position and performance, profits and losses or prospects of Silver Lake unless such information has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules and it is information:

- (a) that investors and their professional advisors would reasonably require for the purposes of making an informed assessment of such matters; and
- (b) relating to the rights and liabilities attaching to the Silver Lake Shares.

Information that is already in the public domain has not been reported in this Bidder's Statement other than that information which is considered necessary to make this Bidder's Statement complete.

There is no information which has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules, and which is required to be set out in this Bidder's Statement.

Silver Lake's annual financial report to shareholders for the year ended 30 June 2018 (**Annual Report**) was lodged with ASIC and ASX on 22 August 2018. The Annual Report includes the directors' report, remuneration report and auditor's independence declaration, statements of profit and loss and other comprehensive income, financial position, changes in equity and cash flows, comprehensive notes to the financial statements and an independent auditor's report. Silver Lake's auditor reviewed half year financial report for the period ended 31 December 2018 was lodged with ASIC and ASX on 27 February 2019.

A list of announcements made by Silver Lake to ASX since 23 August 2018 is contained in Appendix B.

Silver Lake announcements are available on its website (www.silverlakeresources.com.au) as well as the ASX website (www.asx.com.au). Further announcements concerning developments at Silver Lake may be made and placed on these websites after the Date of this Bidder's Statement. Silver Lake is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Silver Lake may be obtained from, or inspected at, an ASIC office. Silver Lake will provide a copy of each of the documents below, free of charge, to any EganStreet Shareholder who asks for them before the date the Offer closes. The following documents can also be obtained from the ASX website (www.asx.com.au) or from the Silver Lake website (www.silverlakeresources.com.au):

- (a) the annual financial report of Silver Lake for the financial year ended 30 June 2018 (being the annual financial report most recently lodged with ASIC by Silver Lake before the Date of this Bidder's Statement, having been lodged on 22 August 2018);
- (b) Silver Lake's audited half year financial report for the period ended 31 December 2018 was lodged with ASIC and ASX on 27 February 2019; and
- (c) any continuous disclosure announcements made by Silver Lake after the date of the lodgement of the annual financial report referred to above and before the Date of this Bidder's Statement.

6. Profile of EganStreet

6.1. PROFILE OF EGANSTREET

This Section of the Bidder's Statement contains information in relation to EganStreet as at the date of the Bidder's Statement.

6.2. OVERVIEW OF EGANSTREET

EganStreet is an ASX listed, Western Australian gold company focused on the exploration and development of Rothsay, located 300 km north-east of Perth in Western Australia's Midwest region.

Rothsay currently hosts a Mineral Resource¹² of 454koz at an average grade of 9.2 g/t Au and a 235koz Ore Reserve¹³ at an average grade of 4.5 g/t.

EganStreet, formerly named Auricup Resources Pty Ltd, was incorporated in 2010 to focus on acquiring and developing small, high grade gold projects, and acquired Rothsay in 2011. Through the subdued mining investment market of 2012-2015, the company collated exploration, mining and processing data, as well as exploring in its own right and in 2015, appointed new management in order to lead the assessment of potential redevelopment of the project.

EganStreet delivered a pre-feasibility study in May 2017, an initial definitive feasibility study in July 2018 and an updated definitive feasibility study in February 2019¹⁴.

6.3. OVERVIEW OF PROJECT

EganStreet's core asset is Rothsay.

Rothsay is located approximately 300km north-north east of Perth, in the Southern Murchison region of Western Australia. The tenement package covers an area of approximately 63km².

Gold was discovered at Rothsay in 1894. Historic gold produced totals an estimated 54koz. The project was last mined by Metana Minerals NL, which ceased production in May 1991 after the gold price fell below US\$360/oz. Extensive underground development infrastructure from historical workings remains in place.

Under EganStreet stewardship, Rothsay has progressed through the exploration and study phase, with the release of an updated definitive feasibility study confirming the technical viability of the project in February 2019. The Rothsay Mining Proposal was approved by the Western Australian Department of Mines, Industry Regulation and Safety in June 2019.

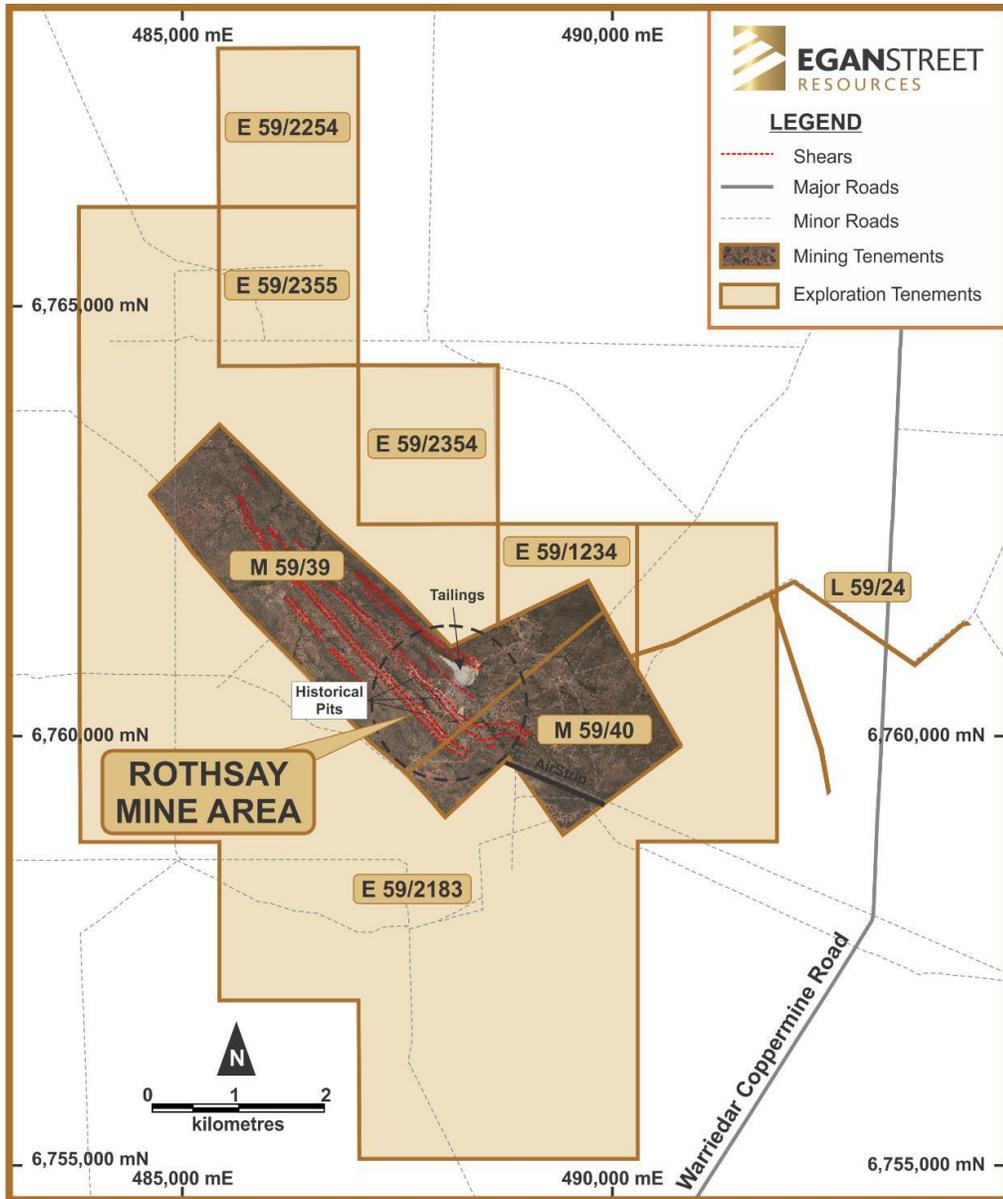
The location of Rothsay is shown at Figure 5 in Section 2.2.9 and tenements are shown below.

¹² Mineral Resource Estimate is as described in EganStreet ASX announcement "Rothsay Resource Increases to 454,000oz at 9.2g/t Au" dated 27 November 2018

¹³ Ore Reserve Estimate is as described in EganStreet ASX announcement "EganStreet Increases Rothsay Ore Reserve By 18% To 235,000 Ounces" dated 1 August 2019 and "Rothsay Ore Reserve - Supplementary Reserve", 13 August 2019.

¹⁴ See EganStreet ASX announcements dated 16 May 2017, 19 July 2018 and 12 February 2019.

Figure 21: Rothsay tenements



6.4. EGANSTREET MINERAL RESOURCES & ORE RESERVES:

Since acquiring the project in 2011, EganStreet has delineated the following 2012 edition JORC compliant Mineral Resources and Ore Reserve:

Figure 22: EganStreet Mineral Resource Statement

Ounces and grade expressed in units of gold	Indicated Mineral Resources			Inferred Mineral Resources			Total Mineral Resources		
	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)
Woodley's	750	10.6	254	230	11.9	88	980	10.9	342
Woodley's East	200	5.8	38	140	8.8	40	340	7.0	78
Woodley's East HW	-	-	-	180	5.3	30	180	5.3	30
Other	-	-	-	40	3.3	5	40	3.3	5
Total	950	9.6	292	590	8.6	162	1,540	9.2	454

Figure 23: EganStreet Ore Reserve Statement

Ounces and grade expressed in units of gold	Ore Tonnes ('000s)	Grade (g/t Au)	Ounces ('000s)
Proved	-	-	-
Probable	1,605	4.5	235
Total Reserves	1,605	4.5	235

Notes:

- (1) Refer ASX Announcement "EganStreet Increases Rothsay Ore Reserve By 18% To 235,000 Ounces", 1 August 2019 and ASX Announcement "Rothsay Ore Reserve - Supplementary Reserve", 13 August 2019 for Competent Person's Consent, material assumptions and technical parameters underpinning the Rothsay Ore Reserve Estimate.
- (2) Refer ASX Announcement "Rothsay Resource Increases to 454,000oz at 9.2g/t Au", 27 November 2018, for Competent Person's Consent, material assumptions and technical parameters underpinning the Rothsay Mineral Resource Estimate.

6.5. SUMMARY OF FINANCIAL INFORMATION ON EGANSTREET

6.5.1. Basis of presentation of historical financial information

The historical financial information below relates to EganStreet on a standalone basis and accordingly does not reflect any impact of the Offer. It is a summary only and the full financial accounts for EganStreet for the financial period described below, which include the notes to the accounts, can be found in EganStreet's half year report for the relevant period, copies of which are available at EganStreet's website www.eganstreetresources.com.au or from the ASX website at www.asx.com.au.

6.5.2. Historical financial information on the EganStreet Group

Set out below is the auditor reviewed statement of financial position of EganStreet as at 31 December 2017 and 31 December 2018. EganStreet's audited 30 June 2019 financial accounts are not yet available however EganStreet reported zero debt and a cash position of \$3.1m as at 30 June 2019 in its Appendix 5B, released 31 July 2019:

A\$	31-Dec-17	31-Dec-18
Current assets		
Cash and Cash Equivalents	2,880,798	5,879,390
Trade and Other Receivables	181,822	302,678
Other current assets	6,700	26,831
Total current assets	3,069,320	6,208,900
Non-current assets		
Property, Plant and Equipment	73,565	1,036,516
Exploration and Evaluation expenditure	1,360,510	7,890
Mine development expenditure	-	2,227,624
Total non-current assets	1,434,075	3,272,030
Total assets	4,503,395	9,480,930
Current liabilities		
Trade and other payables	371,619	552,159
Provisions	61,842	91,287
Total current liabilities	433,461	643,446
Total liabilities	433,461	643,446
Net assets	4,069,934	8,837,484
Equity		
Share capital	19,381,598	31,248,386
Reserves	1,048,399	1,737,245
Accumulated losses	(16,360,063)	(24,148,147)
Total equity	4,069,934	8,837,484

Set out below is EganStreet's statement of comprehensive income for the six months ended 31 December 2017 and 31 December 2018.

Figure 25: EganStreet statement of profit and loss and other comprehensive income for the six months ended 31 December 2017 and 2018

A\$	31-Dec-17	31-Dec-18
Revenue	7,735	80,883
Employee benefits expense	(190,761)	(742,199)
Administration expenses	(263,466)	(378,388)
Exploration expenditure	(2,917,847)	(2,250,254)
Financing expenses	-	(113,305)
Depreciation and amortisation	(5,333)	(25,011)
Share based payments	(163,307)	(399,598)
Loss from continuing operations before income tax	(3,532,979)	(3,827,872)
Income tax	-	-
Loss from continuing operations after tax	(3,532,979)	(3,827,872)
Net Loss for the period	(3,532,979)	(3,827,872)
Total comprehensive loss for the period	(3,532,979)	(3,827,872)

Set out below is EganStreet's statement of cash flows for the six months ended 31 December 2017 and 31 December 2018.

Figure 26: EganStreet statement of cash flows for the six months ended 31 December 2017 and 2018

A\$	31-Dec-17	31-Dec-18
Cash Flows From Operating Activities		
Interest received	7,735	80,883
Payments to suppliers and employees	(475,483)	(1,193,893)
Payments for exploration expenditure	(3,216,153)	(2,582,065)
Net cash used in operating activities	(3,683,901)	(3,695,075)
Cash Flows From Investing Activities		
Proceeds for acquisition of tenements	-	(7,890)
Payments for plant and equipment	(29,122)	(104,767)
Payments for mine development expenditure	-	(1,705,864)
Net cash used in investing activities	(29,122)	(1,818,521)
Cash Flows From Financing Activities		
Proceeds from issue of shares	4,035,000	-
Costs of capital raising	(215,303)	-
Transactions related to loans and borrowings	-	(113,305)
Net cash (used)/provided by financing activities	3,819,697	(113,305)
Net increase/(decrease) in cash and cash equivalents held	106,674	(5,626,901)
Cash at beginning of financial period	2,774,124	11,506,291
Cash and cash equivalents at 31 December	2,880,798	5,879,390

6.6. DIRECTORS OF EGANSTREET

As at the Date of this Bidder's Statement, the EganStreet Directors are:

- (a) Barry Sullivan, Non-Executive Chairman;
- (b) Marc Ducler, Managing Director;
- (c) Lindsay Franker, Executive Director;
- (d) Simon Eley, Non-executive Director; and
- (e) Hedley Widdup, Non-Executive Director.

6.7. INFORMATION ABOUT EGANSTREET'S SECURITIES

6.7.1. EganStreet Shares

As at the Date of this Bidder's Statement, EganStreet had 130,453,719 EganStreet Shares on issue.

6.7.2. EganStreet Performance Rights

As at the Date of this Bidder's Statement, EganStreet had 7,180,470 EganStreet Performance Rights on issue with:

- (a) 2,919,774 performance rights expiring 31 July 2020
- (b) 4,260,696 performance rights expiring 31 July 2021.

6.7.3. EganStreet Options

As at the Date of this Bidder's Statement, EganStreet had 13,720,000 Options on issue:

- (a) 8,250,000 Options at \$0.25 each exercisable on or before 13 September 2019
- (b) 350,000 Options at \$0.453 each exercisable on or before 13 September 2019
- (c) 450,000 Options at \$0.476 each exercisable on or before 13 September 2019
- (d) 270,000 Options at \$0.339 each exercisable on or before 13 September 2019
- (e) 250,000 Options at \$0.381 each exercisable on or before 13 September 2019
- (f) 2,650,000 Options at \$0.375 each exercisable on or before 13 September 2019
- (g) 1,500,000 Options at \$0.30 each exercisable on or before 22 August 2021.

6.7.4. EganStreet substantial shareholders

Based on information lodged with ASX or known to Silver Lake, the following persons had a Relevant Interest in 5% or more of the EganStreet Shares on issue as at 13 August 2019, being the last practicable day before the Date of this Bidder's Statement:

Figure 27: EganStreet substantial shareholders as at 13 August 2019

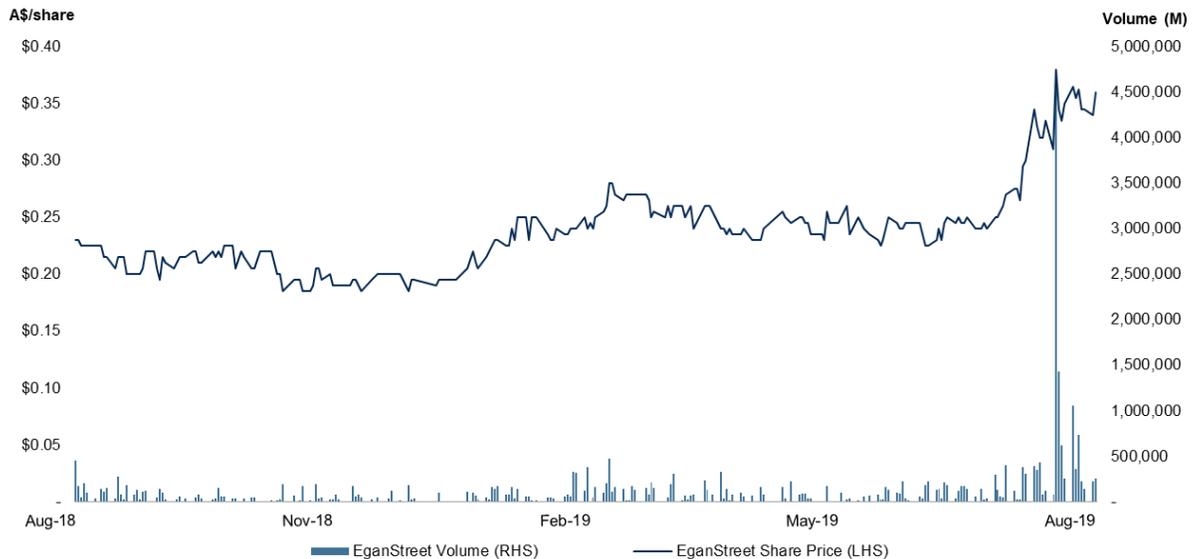
EganStreet Shareholder	Number of EganStreet Shares Held	Percentage of Issued EganStreet Shares
Lion Selection Group Ltd	21,137,007	16.20%
Mr Chris Retzos	13,350,779	10.23%

6.7.5. EganStreet Share trading history

The latest recorded sale price of EganStreet Shares traded on ASX before the Date of this Bidder's Statement was \$0.36 on 13 August 2019.

The following chart shows the closing price and volume traded of EganStreet on the ASX over the last 12 months, to the day before the Date of this Bidder's Statement.

Figure 28: EganStreet share price performance and volume



During the three month period immediately preceding the Date of this Bidder's Statement, the highest and lowest recorded sale prices of EganStreet Shares on ASX were, respectively, \$0.38 on 31 July 2019 and \$0.23 on 28 May 2019, 13 June 2019 and 14 June 2019.

6.7.6. Effect of the Offer on EganStreet Options

The Offer does not extend to EganStreet Options. However, it does extend to EganStreet Shares which are issued on the exercise of EganStreet Options if those EganStreet Shares are issued during the period from the Register Date to the end of the Offer Period. Silver Lake's intentions in relation to EganStreet Options are set out in Section 11.6.

6.8. PUBLICLY AVAILABLE INFORMATION ABOUT EGANSTREET

EganStreet is a company listed on the ASX (ASX: EGA) and is subject to the periodic and continuous disclosure requirements of the Corporations Act and ASX Listing Rules. Copies of announcements made by EganStreet to ASX are available from ASX. For information concerning the financial position and affairs of EganStreet, you should refer to the full range of information that has been disclosed by EganStreet pursuant to these requirements. This information may be relevant to your assessment of the Offer.

Further information regarding EganStreet can be obtained via the ASX website at www.asx.com.au, or the EganStreet website at www.eganstreetresources.com.au.

7. Effect of the Offer on Silver Lake and the profile of the Enlarged Group

7.1. OVERVIEW

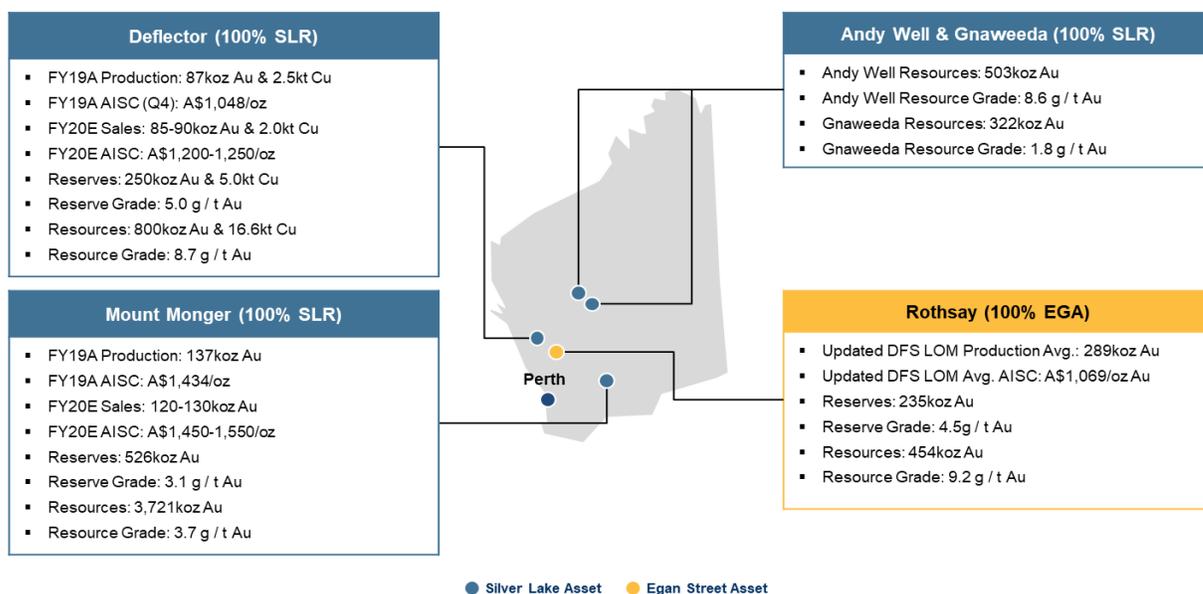
This section of the Bidder's Statement provides an overview of the effect of the Offer on Silver Lake and the profile of the Enlarged Group. This Section outlines these impacts on the basis that Silver Lake is successful in acquiring at least 90% of EganStreet and can proceed to compulsorily acquire all remaining EganStreet Shares. Silver Lake's intentions in relation to EganStreet and the Enlarged Group are discussed further in Section 8.

7.2. PROFILE OF THE ENLARGED GROUP

The combination of Silver Lake and EganStreet will further position Silver Lake as a leading growth-oriented gold company on the ASX. Following completion of the Offer the Enlarged Group will have:

- (a) a pro-forma market capitalisation of \$1,101 million (refer Section 2.2.10);
- (b) a strong balance sheet with pro-forma cash and bullion of \$134.8 million and no bank debt as at 30 June 2019 (refer Section 2.2.5) providing the flexibility to pursue development opportunities from a position of strength to further optimise and de-risk the portfolio;
- (c) an operational centre of gravity in a tier one operating jurisdiction with two complementary Western Australian operating and strategic hubs at Mount Monger and Deflector;
- (d) a larger Ore Reserve of 1,011,000 contained ounces of gold and 5,000 tonnes of copper and Mineral Resource base of 5,800,000 contained ounces of gold and 16,600 tonnes of copper (see Sections 5.4 and 6.4);
- (e) an expanded pipeline of potential development projects across various stages of development resulting in increased competition for exploration and development capital across both sites to drive return on investment;
- (f) multiple in-mine and near mine exploration opportunities across its portfolio allowing it to leverage proven mineralised corridors and established infrastructure which provide opportunities to increase margins and extend mine life.

Figure 29: Asset Base of the Enlarged Group



7.3. DIRECTORS

The Enlarged Group Board will be the Silver Lake Board unchanged, and reflects an appropriate board with relevant skills and experience of an ASX-listed mining company, as a consequence of the Offer. Details of the Silver Lake Board are set out below:

David Quinlivan - Non-Executive Chairman

Mr Quinlivan is a Mining Engineer with significant mining and executive leadership experience having 11 years of service at WMC Resources Ltd, followed by a number of high-profile mining development positions. Since 1989, Mr Quinlivan has served as Principal of Borden Mining Services Pty Ltd, a mining consulting services firm, where he worked on a number of mining projects in various capacities. He has served as Chief Executive Officer of Sons of Gwalia Ltd (post appointment of administrators), Chief Operating Officer of Mount Gibson Iron Ltd, President and Chief Executive Officer of Alacer Gold Corporation, Chief Executive Officer & Managing Director of Ora Banda Mining Ltd and Chairman of Churchill Mining PLC.

Luke Tonkin - Managing Director

Mr Tonkin is a Mining Engineering graduate of the Western Australian School of Mines and his extensive operations and management career spans over 30 years within the minerals and mining industry. He is a past Chairman of the Western Australian School of Mines Advisory Board. Mr Tonkin has held senior management roles at WMC Resources Ltd, Sons of Gwalia Ltd and was Managing Director of Mount Gibson Iron Ltd for 7 years and Chief Executive Officer and Managing Director of Reed Resources Ltd.

Mr Tonkin joined Silver Lake in October 2013 as Director of Operations and was appointed as Managing Director on 20 November 2014.

Les Davis - Non-Executive Director

Mr Davis has over 35 years' industry experience including 17 years' hands-on experience in mine development and narrow vein mining. Mr Davis' career incorporates 13 years' senior management

experience including roles as Mine Manager, Technical Services Manager, Concentrator Manager, Resident Manager and General Manager Expansion Projects with organisations including WMC Resources Ltd, Reliance Mining Pty Ltd and Consolidated Minerals Pty Ltd. Mr Davis ceased as Managing Director of Silver Lake on 20 November 2014 and was subsequently appointed as Non-Executive Director. Mr Davis is also a director of Black Cat Syndicate Limited.

Kevin Flynn - Non-Executive Director

Mr Flynn is a qualified Chartered Accountant with over 27 years' experience in investment banking and corporate advisory roles including private equity and special situations investments in the mining and resources sector. He has held various leadership positions in Australia and Asia, having previously held the position of Executive Director/Vice President with Goldman Sachs and Managing Director of Alvarez & Marsal in Asia. He has worked in complex financial workouts, turnaround advisory and interim management. He is the Managing Director of the specialist alternative funds manager Harvis, which focuses on investments in the real estate and real assets sectors.

Peter Alexander - Non-Executive Director

Mr Alexander is a geologist by profession and has over 30 years' experience in mineral exploration and mining in Australia and overseas. Mr Alexander was Managing Director and Chief Executive Officer of Dominion Mining Limited from 1997 until his retirement in January 2008, at which time he continued as a Non-Executive Director until the takeover by Kingsgate Consolidated Limited in 2010. Mr Alexander managed the start-up and operation of Dominion's Challenger gold mine in South Australia and, under Mr Alexander's management, Dominion won the Gold Mining Journal's "Gold Miner of the Year" three years in succession.

7.4. CAPITAL STRUCTURE OF THE ENLARGED GROUP

Set out below is the capital structure of Silver Lake if it is successful in acquiring 100% of EganStreet:

- (a) 856,734,753 Silver Lake Shares on issue.
- (b) 7,171,318 Silver Lake Performance Rights on issue.

Assumptions used to determine the capital structure detailed above are as follows:

- (1) the Offer becomes Unconditional and 100% of the EganStreet Shares are acquired by Silver Lake;
- (2) 100% of the EganStreet Options are cancelled under the terms outlined in Section 11.6 and 1,134,427 Silver Lake Shares issued in consideration;
- (3) 100% of EganStreet Performance Rights are vested and the underlying 7,180,470 EganStreet Shares are issued before the end of the Offer Period; and
- (4) no other securities are issued.

7.5. SUBSTANTIAL SHAREHOLDINGS

Based on information lodged with ASX or known to Silver Lake and EganStreet, the following persons will have a pro forma Relevant Interest in 5% or more of the Silver Lake Shares on issue if it is successful in acquiring 100% of EganStreet:

Figure 30: Pro forma Silver Lake substantial shareholders if it is successful in acquiring 100% of EganStreet

Silver Lake Shareholder	Number of Silver Lake Shares Held	Percentage of Issued Silver Lake Shares
Ruffer LLP (on behalf of CF Ruffer Gold Fund)	77,555,876	9.05%
Paradice Investment Management	56,538,472	6.60%
Mitsubishi UFJ Financial Group	53,655,861	6.26%
Van Eck Vectors Junior Gold Miners ETF (GDJX) and Van Eck Vectors UCITS ETF (UCTGDJX)	47,804,665	5.58%

7.6. FINANCIAL INFORMATION

To illustrate the financial impact of Silver Lake acquiring 100% of EganStreet, an unaudited pro forma balance sheet has been prepared, based on the auditor reviewed balance sheet of EganStreet as at 31 December 2018 and the auditor reviewed balance sheet of Silver Lake at 31 December 2018, which has been adjusted for the impact of the material post balance date event being the Doray Minerals acquisition as if that event had occurred on 31 December 2018.

The pro forma unaudited balance sheet of Silver Lake at 31 December 2018 adjusted for the acquisition of Doray Minerals is set out in more detail in Section 5.6.1.

The unaudited pro forma below is illustrative only and may not represent the financial position of the Enlarged Group if Silver Lake is successful in acquiring 100% of EganStreet.

The following adjustments and assumptions have been used in preparing the pro forma balance sheet of the Enlarged Group below:

- (a) The pro forma balance sheet is indicative only. The Silver Lake Directors will undertake a comprehensive assessment of fair value of the assets and liabilities acquired after the EganStreet transaction has been completed. The Silver Lake directors have drawn their conclusions based on the known facts and other information publicly available as at the Date of this Bidder's Statement. If the facts, circumstances, assumptions or other information should prove different to that described, the conclusions may change accordingly.
- (b) The pro forma balance sheet prepared by Silver Lake is displayed below:

Figure 31: Pro Forma Enlarged Group statement of financial position as at 31 December 2018

A\$'000	Pro Forma Silver Lake Adjusted for Doray acquisition	EganStreet	Pro Forma Adjustments for Offer (100%)	Pro Forma Enlarged Group
Current Assets				
Cash and cash equivalents	109,084	5,879	-	115,683
Trade and other receivables	9,831	330	-	10,161
Inventories	36,728	-	-	36,728
Total current assets	156,363	6,209	-	162,572
Non-Current Assets				
Inventories	1,868	-	-	1,868
Exploration, evaluation & development expenditure	229,219	2,236	-	231,455
Property, plant and equipment	79,773	1,037	-	80,810
Investments	7,013	-	-	7,013
Intangible assets	92,187	-	-	92,187
Total non-current assets	410,060	3,272	-	413,332
Total assets	566,423	9,481	-	575,904
Current Liabilities				
Trade and other payables	49,917	552	1,997	52,466
Interest bearing liabilities	859	-	-	859
Provisions	5,234	91	-	5,325
Total current liabilities	56,010	643	1,997	58,650
Non-Current Liabilities				
Provisions	39,106	-	-	39,106
Total non-current liabilities	39,106	-	-	39,106
Total liabilities	95,116	643	1,997	97,756
Net assets	471,307	8,837	(1,997)	478,148
Equity				
Share capital	960,179	31,248	(22,411)	969,016
Reserves	1,958	1,737	(1,737)	1,958
Accumulated losses	(490,830)	(24,148)	22,151	(492,827)
Total equity	471,307	8,837	(1,997)	478,148

7.7. PROSPECTIVE FINANCIAL INFORMATION OF THE ENLARGED GROUP

Silver Lake has given careful consideration as to whether a reasonable basis exists to produce reliable and meaningful forecast financial information in relation to the Enlarged Group. The Silver Lake Board has concluded that forecast financial information would be misleading to provide, as a reasonable basis does not exist for producing forecasts that would be sufficiently meaningful and reliable, particularly considering the effect that variations in key variable inputs may have on future earnings performance.

7.8. ENLARGED GROUP'S REGISTER OF SECURITYHOLDERS

In accordance with Australian law, Silver Lake's register of shareholders will be maintained in Australia by its Australian registry, being:

Computershare Investor Services Pty Limited

In person:

452 Johnston Street

Abbotsford Victoria 3067

Australia

By mail:

GPO Box 52

Melbourne VIC 3001

Australia

8. Silver Lake's intentions in relation to EganStreet

8.1. INTRODUCTION AND RATIONALE

This Section sets out Silver Lake's intentions, on the basis of the facts and information concerning EganStreet which are known to it and the existing circumstances affecting the business of EganStreet in relation to the following:

- (a) the continuation of the business of EganStreet;
- (b) any major changes to be made to the business of EganStreet, including any redeployment of the fixed assets of EganStreet;
- (c) the future employment of the present employees of EganStreet; and
- (d) the compulsory acquisition of EganStreet Shares and the removal of EganStreet from the official list on the ASX.

8.2. RATIONALE FOR THE OFFER

The acquisition of EganStreet is consistent with Silver Lake's strategy of creating new opportunities to compete for capital and maximise the value of its existing asset base.

The ability to leverage Silver Lake's proximal infrastructure at Deflector, robust balance sheet and cash flows significantly reduces the execution risk and increase the potential to unlock the full value opportunity at Rothsay. Longer term, the combination of the respective Deflector and Rothsay land holdings have significant exploration potential to deliver regional resource growth. Importantly, Silver Lake has the balance sheet strength and flexibility to pursue the exploration potential of the land holding.

8.3. REVIEW

During the Offer Period and following the close of the Offer, Silver Lake will, to the extent that information is available to it, conduct a review of the operations, assets, structure and employees of EganStreet. Final decisions will only be reached after that review and in light of all material facts and circumstances. As such, statements set out in this section are statements of current intention only which may change as new information becomes available or circumstances change. The statements in this Section 8 should be read in this context.

8.4. INTENTIONS UPON ACQUISITION OF 90% OR MORE OF THE EGANSTREET SHARES

This Section 8.4 sets out Silver Lake's current intentions if it acquires 90% or more of the EganStreet Shares, and so becomes entitled to proceed to compulsory acquisition of the outstanding EganStreet Shares.

- (a) Compulsory acquisition

If it becomes entitled to do so under the Corporations Act, Silver Lake intends to:

- (1) give notices to compulsorily acquire any outstanding EganStreet Shares in accordance with section 661B of the Corporations Act;

- (2) give notices to EganStreet Shareholders and, if applicable, holders of EganStreet Options to compulsorily acquire any outstanding EganStreet Shares and EganStreet Options in accordance with section 664C of the Corporations Act; and
 - (3) if it is required to do so under section 662A and section 663A of the Corporations Act, give notice to EganStreet Shareholders and, if applicable, holders of EganStreet Options offering to acquire their EganStreet Shares and EganStreet Options in accordance with sections 662B and 663B of the Corporations Act.
- (b) EganStreet Options

Silver Lake will make offers to acquire (or cause the cancellation of) all of the EganStreet Options for the consideration set out in Section 11.6 (and subject to any necessary conditions). It is a condition of the Offer that each EganStreet Optionholder accepts such offer for all of their EganStreet Options.

As mentioned above:

- (1) if Silver Lake becomes entitled to compulsorily acquire EganStreet Options in the future (pursuant to section 664A of the Corporations Act or otherwise), Silver Lake intends to do so; and
 - (2) if Silver Lake is required to offer to buy out holders of EganStreet Options in accordance with clause 663A of the Corporations Act, it intends to do so.
- (c) ASX listing

At the conclusion of the compulsory acquisition process, Silver Lake intends to arrange for EganStreet to be removed from the official list of the ASX (subject to any required approvals on the part of ASX), thereby eliminating the corporate administration costs associated with maintaining EganStreet as a listed company.

- (d) Operations and assets

At the end of the Offer Period, Silver Lake will conduct an immediate, broad based review of EganStreet's operations on both a strategic and financial level to determine mechanisms for improving the performance and return to shareholders and realise any potential operational and financial synergies available to the Enlarged Group.

The extent of the review is not able to be determined at this stage, although it is likely to involve some, or all, of the following:

- (1) identifying and assessing the prospectivity of exploration potential of EganStreet's assets and how best to assign resources through a first principles / data driven approach guided by priority to the business, size of the prize and probability of success;
 - (2) rigorous evaluation of internal and external opportunities available to the Enlarged Group to create a balanced portfolio to drive returns; and
 - (3) eliminating duplication of functions where it is economic to do so.
- (e) Directors and employees

Silver Lake will replace all members of the EganStreet Board (other than any who have been nominated by Silver Lake) and of any company in respect of which EganStreet has nominee directors with its own nominees. Replacement board members have not been identified by Silver Lake and their identity will depend on the circumstances at the relevant time.

The status of EganStreet's existing employees will be considered as part of the review outlined in Section 8.4(d) above. Silver Lake intends to combine EganStreet's corporate head office functions

with those of Silver Lake. Silver Lake will make decisions regarding senior management positions following the general operational review referred to above.

8.5. INTENTIONS UPON ACQUISITION OF LESS THAN 90% OF THE EGANSTREET SHARES

Silver Lake has no current intention to waive the Minimum Acceptance Condition (but it reserves its right to do so). This description of Silver Lake's intentions in Section 8.5 is not to suggest that Silver Lake intends to declare the Offer free from the Conditions referred to in Appendix A, clause A6 if Silver Lake does not acquire at least 90% of EganStreet Shares.

If, however, Silver Lake declares the Offer to be free from the Conditions referred to above but does not acquire at least 90% of EganStreet Shares (and is not otherwise entitled to compulsorily acquire the outstanding EganStreet Shares in accordance with the provisions of Part 6A.1 of the Corporations Act), Silver Lake intends (subject to the level of Silver Lake's shareholding in EganStreet) to:

(a) Implement Silver Lake's strategic objectives

Unless specifically set out below, seek to implement such of the intentions as are detailed in Section 8.4 as are consistent with EganStreet being a controlled entity of Silver Lake but not a wholly-owned subsidiary.

(b) Directors and employees

Seek to appoint its own nominees to constitute all or a majority of the EganStreet Board, subject to the Corporations Act and to the constitution of EganStreet

(c) Share Accumulation

Acquire EganStreet Shares over time so as to enable Silver Lake to move to compulsory acquisition including in reliance on the '3% creep' exception in item 9 of section 611 of the Corporations Act.

(d) Steps to be taken to delist EganStreet from the ASX

Unless EganStreet has more than the required spread of shareholders under the ASX Listing Rules, procure an application to be made to remove EganStreet from the official list of the ASX.

(e) Funding

New external capital may be required to fund EganStreet's operations and development projects in the future. Silver Lake will review how best to fund EganStreet's activities which, depending on the circumstances at the time, may include raising new equity.

(f) Distributions

Silver Lake will review the existing distribution policy for EganStreet but intends to limit distributions in the near term given EganStreet's current cash on balance sheet, expected operating cash flow generation and potential capital requirements in the future.

(g) Information

To agree information and disclosure protocols with the EganStreet Board for the purpose of facilitating Silver Lake's financial results preparation and reporting.

8.6. INTENTIONS IF SILVER LAKE DOES NOT ACQUIRE CONTROL OF EGANSTREET SHARES

Unless otherwise indicated, Silver Lake's intentions if it acquires less than 50.1% of EganStreet Shares would be to request representation on the board (commensurate with its shareholding in EganStreet) and gain a more detailed understanding of all the businesses, assets and operations of EganStreet to evaluate performance, profitability and prospects of EganStreet to the greatest extent possible based on the information then available to Silver Lake.

The ability of Silver Lake to implement the intentions set out in Section 8.5 and this Section 8.6 will be subject to the legal obligations of EganStreet directors to have regard to the interests of EganStreet and all EganStreet Shareholders, and the requirements of the Corporations Act and the ASX Listing Rules relating to transactions between related parties and conflicts of interest. Silver Lake will only make a decision on the above mentioned courses of action following legal and financial advice in relation to those requirements.

8.7. DIVIDEND POLICY

The Enlarged Group Board will consider its capital management policies including dividends on the basis of underlying financial performance and cash flow, commodity price expectations, balance sheet and treasury risk management, working capital needs and competing internal and external investment opportunities necessary for renewal and future growth.

8.8. GOVERNANCE

The composition of the Enlarged Group Board is discussed in Section 7.3. It is intended the Board will be governed by Silver Lake's current corporate governance policies. A copy of these policies can be accessed on Silver Lake's website: <http://www.silverlakeresources.com.au/corporate/corporate-governance>.

9. Risk factors

9.1. INTRODUCTION

The consideration offered for EganStreet Shares takes the form of shares in Silver Lake, and therefore if the Offer becomes Unconditional, EganStreet Shareholders who accept the Offer will become Silver Lake Shareholders. There are a number of risks and relevant factors associated with becoming a shareholder of Silver Lake, including becoming exposed to:

- (a) risks which relate to the Offer; and
- (b) risks which are common to EganStreet and Silver Lake.

While most risk factors are largely beyond the control of Silver Lake and its directors, Silver Lake will seek to mitigate the risks where possible and economically viable (for example, by obtaining appropriate insurances).

A non-exhaustive summary of some of the potential risks is outlined below.

9.2. RISKS RELATING TO THE OFFER

There are a number of risks which relate to the Offer. A non-exhaustive list of some of the more important of these risks is set out below.

- (a) *Issue of Silver Lake Shares as consideration:* EganStreet Shareholders are being offered consideration under the Offer that consists of a specified number of Silver Lake Shares, rather than a number of Silver Lake Shares with a specified market value. As a result, the market price of this scrip consideration will fluctuate depending upon the market price of Silver Lake Shares (see Section 9.3 for further details). There is an ongoing risk, which exists for all shares, that the price of Silver Lake Shares (and therefore the value of the scrip consideration received by accepting EganStreet Shareholders) may fall in the future.
- (b) *Potential unavailability of scrip for scrip rollover relief:* If the Offer becomes Unconditional, EganStreet Shareholders who accept the Offer and receive Silver Lake Shares as consideration may, in some circumstances, not be able to claim scrip for scrip rollover relief. In particular, this will be the case where Silver Lake does not acquire 80% of the EganStreet Shares under the Offer but the Offer nonetheless becomes Unconditional. In this event EganStreet shareholders have a CGT liability in respect of those Silver Lake shares received should a gain arise. The Australian taxation implications of accepting the Offer are discussed in greater detail in Section 10 of this Bidder's Statement.

9.3. RISKS COMMON TO EGANSTREET AND SILVER LAKE

Like EganStreet, Silver Lake is subject to the inherent risks of the gold mining industry and general economic risks in varying degrees. A non-exhaustive list of some of the more important of these risks is set out below.

- (a) *Economic conditions:* Economic conditions, both domestic and global, may affect the performance of mining and exploration companies like Silver Lake and EganStreet. Adverse changes in such things as global and country-by-country economic growth, the level of economic activity and inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory

policies), general consumption and consumer spending, employment rates and industrial disruption, amongst others, are outside the control of Silver Lake and may result in material adverse impacts on the business and its operating results.

- (b) *Share market conditions:* As Silver Lake is listed on the ASX, its share price is subject to the numerous influences that may affect both the trends in the share market and the share prices of individual companies, including movements in international and local stock markets, changes in the outlook for commodities (more specifically, gold), inflation, interest rates, general economic conditions and changes in government, fiscal, monetary and regulatory policies. In the future, these factors may cause Silver Lake Shares to trade below current prices and may affect the income and expenses of Silver Lake.
- (c) *General legal and taxation matters:* Future earnings, asset values and the relative attractiveness of Silver Lake Shares may be affected by changes in law and government policy in the jurisdictions in which the Enlarged Group will operate, in particular, changes to taxation law (including stamp duty and GST). In addition, accepting the Offer may involve tax considerations that may differ for each EganStreet Shareholder. Each EganStreet Shareholder is encouraged to seek professional tax advice in connection with accepting the Offer (see also Section 10 of this Bidder's Statement in respect of Australian tax considerations).
- (d) *Mining and exploration risks:* The business of mining exploration, mineral development and production is subject to risk by its nature. The success of the business depends on successful exploration and/or acquisition of reserves, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased development costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Enlarged Group's attempts to develop and exploit its mining, development and exploration activities will be successful or that production will remain profitable in the long term.
- (e) *Ore reserve and mineral resource estimates:* Ore reserve and mineral resource estimates are expressions of judgement based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and, thus, estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always certainly differ from the assumptions used to develop reserves. Further, ore reserves are valued based on future costs and future prices and, consequently, the actual ore reserves and mineral resources of the Enlarged Group may differ from those estimated, which may result in either a positive or negative effect on the Enlarged Group's operations.

No assurance can be given that the anticipated tonnages and grades of ore will be achieved during production or that the indicated level of gold recovery will be realised. Gold price fluctuations, as well as increased production costs or reduced recovery rates, may render ore reserves containing relatively lower grades uneconomic and may ultimately result in a restatement of such ore reserves. Moreover, short term operating factors relating to ore reserves, such as the need for sequential development of ore bodies and the processing of new or different ore types or grades, may cause a mining operation to be unprofitable in any particular accounting period.

Inferred mineral resources that are not ore reserves do not have demonstrated economic viability. Due to the uncertainty which may attach to inferred mineral resources, there is no assurance that inferred mineral resources will be upgraded to measured or indicated resources or proven or probable ore reserves as a result of continued exploration.

- (f) *Operational risks:* The operations of Silver Lake may be affected by various factors not within its control, including operational and technical difficulties encountered in production, sourcing difficulties, commissioning, operating and maintaining plant and equipment, mechanical failure, industrial accidents, processing deficiencies, labour shortages, industrial and environmental disputes, obtaining government approvals, flooding or other adverse weather conditions, fire, explosions, rock falls, unusual or unexpected rock formations and unexpected shortages or increases in the costs of consumables, spare parts, plant equipment or labour. These risks and hazards could also result in damage to or destruction of production facilities, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. Silver Lake may become subject to liability for accidents, pollution or other hazards against which it cannot insure or against which it may elect not to insure because of premium costs or for other reasons, or in amounts which exceed policy limits.
- (g) *Commodity price fluctuations:* The revenues of Silver Lake may be materially impacted by fluctuations in the global prices of gold, which are in turn affected by many factors beyond the control of Silver Lake, such as macro-economic factors and consumer sentiment.
- (h) *Geological and geotechnical:* There is a risk that unforeseen geological and geotechnical difficulties may be encountered when developing and mining ore reserves. In this event, a loss of revenue may be caused due to the lower than expected production and/or higher than anticipated operation and maintenance costs and/or on-going unplanned capital expenditure in order to meet production targets.
- (i) *Environmental risks:* Mining and exploration involves a risk of environmental damage. Silver Lake may be required to comply with certain environmental management issues from time to time. The potential for liability is an ever-present risk. Silver Lake intends to ensure that the Enlarged Group conducts its operations to comply with all relevant applicable environmental legislation. Despite this endeavour, certain environmental risks are inherent in the Enlarged Group's operations.
- (j) *Government policy:* Industry profitability can be affected by changes in government, both within Australia and externally, which are not within the control of Silver Lake. Silver Lake's activities are subject to extensive laws and regulations controlling not only the mining of and exploration for mineral properties, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. There is no assurance that permits will be obtained when sought or that unfavourable conditions will not be imposed. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of Silver Lake's tenements, the extent of which cannot be predicted.
- (k) *Weather and climatic conditions:* The current and future operations of both Silver Lake and EganStreet, including production and exploration operation, may be affected by limitations on activities due to seasonal weather patterns and heavy rain.
- (l) *Future financing requirements:* At some point in time, Silver Lake or the Enlarged Group may require further financing to develop projects or to meet future objectives. There is no assurance that Silver Lake will be successful in obtaining the financing required as and when needed, particularly if conditions in global financial markets do not improve. Despite Silver Lake's capital raising track record, volatile markets for mineral commodities may make it difficult or impossible for Silver Lake

to obtain debt financing or equity financing on favourable terms or at all. Failure to obtain additional financing on a timely basis may cause Silver Lake or the Enlarged Group to postpone future development plans, forfeit rights in some or all of its properties or joint ventures or reduce or terminate some or all of its operations.

- (m) *Management.* Whilst Silver Lake endeavours to maintain employment of its high quality management team, and the company uses remuneration data to ensure current remuneration benefits are in line with industry standards, there is no guarantee that Silver Lake will not lose key personnel.

10. Australian tax considerations

10.1. AUSTRALIAN INCOME TAX IMPLICATIONS FOR EGANSTREET SHAREHOLDERS

The following summary is a general description of the Australian income and capital gains tax consequences for EganStreet Shareholders who accept the Offer and dispose of their EganStreet Shares to Silver Lake in accordance with the Offer.

The summary is based upon taxation law and practice in effect at the date of the Offer. It is not intended to be an authoritative or comprehensive analysis of the taxation laws of Australia, nor does it consider any specific facts or circumstances that may apply to particular shareholders. It also does not deal with the taxation consequences of disposing of shares issued under an employee share scheme, which may be subject to specific tax provisions, or any stamp duty implications under Australia's various State legislations.

You are advised to seek independent professional advice regarding the Australian tax consequences of disposing of your EganStreet Shares according to your own particular circumstances.

The Australian tax consequences of disposing of your EganStreet Shares will depend on a number of factors including:

- (a) whether you are an Australian resident or non-resident for tax purposes;
- (b) whether you hold your EganStreet Shares on capital account, revenue account or as trading stock;
- (c) when you acquired your EganStreet Shares;
- (d) whether you are an individual, a company or a trustee of a complying superannuation entity; and
- (e) whether scrip for scrip rollover relief is available – see Section 10.5.

10.2. SHAREHOLDERS WHO ARE AUSTRALIAN RESIDENTS

- (a) Disposal of shares held as trading stock

If you hold your EganStreet Shares as trading stock (e.g. as a share trader) you will be required to include the value of the consideration (the value of the Silver Lake shares) received from the disposal of your EganStreet Shares in your assessable income.

- (b) Disposal of shares held on revenue account

If you acquired your EganStreet Shares with the main purpose of reselling them at a profit rather than holding them for long term capital growth and to earn future dividends, you may be considered to hold your EganStreet Shares on revenue account for tax purposes. You will then be required to treat any gain or loss arising on the disposal of your EganStreet Shares as either assessable income or an allowable deduction.

The gain or loss will be calculated as the difference between:

- (1) the value of the consideration (the value of the Silver Lake Shares) received; and
- (2) the cost of acquiring your EganStreet Shares.

(c) Disposal of shares held on capital account

If you hold your EganStreet Shares as a passive investment with a view to generating dividend income and long term capital growth, you may be considered to hold your EganStreet Shares on capital account.

The disposal of EganStreet Shares which were acquired or deemed to have been acquired on or after 20 September 1985 and which are held on capital account, will generally have Australian CGT implications. The disposal of such EganStreet Shares pursuant to acceptance of the Offer will constitute a CGT event for CGT purposes.

The CGT implications of a disposal of your EganStreet Shares will depend upon a number of factors, including:

- (1) the date your EganStreet Shares were acquired;
- (2) your taxpayer status;
- (3) the length of time you have held your EganStreet Shares; and
- (4) whether or not you are entitled to scrip for scrip rollover relief – see Section 10.5.

Shares acquired after 11.45 am on 21 September 1999 (which will be the case for all EganStreet Shareholders given the date of incorporation of EganStreet was in 2010)

If you acquired your EganStreet Shares after 11.45am (ACT time) on 21 September 1999, you will not be entitled to choose indexation of the cost base when calculating any capital gain on disposal.

If you are an individual, trust or complying superannuation fund that has held your EganStreet Shares for 12 months or longer at the time the Offer is accepted, the discount capital gain provisions described above will automatically apply in calculating any capital gain on disposal.

As explained above, any available capital loss will be applied to reduce the realised nominal gain before discounting the resulting net amount by one-half or one-third (as applicable) to calculate the discounted capital gain that is assessable.

If your EganStreet Shares have been held for less than 12 months or you are another category of shareholder (for example, a company), the discount capital gain method is not available. A capital gain on the shares, being any excess of the value of the capital proceeds over the unindexed cost base of the shares, will be assessable in full.

10.3. SHAREHOLDERS WHO ARE NOT AUSTRALIAN RESIDENTS

(a) Disposal of shares held as trading stock or on revenue account

If you are a non-resident of Australia for Australian income tax purposes and your EganStreet Shares were acquired as trading stock or otherwise on revenue account, you should seek your own professional advice. The Australian tax treatment will depend on the source of any gain and whether a double tax agreement exists between your country of residence and Australia.

(b) Disposal of shares held on capital account

If you are a non-resident of Australia and hold your EganStreet Shares on capital account, you will generally not be subject to CGT on the disposal of your EganStreet Shares unless:

- (1) you (and your associates) owned at least 10% of EganStreet either at the time you sold your EganStreet Shares or for at least 12 months during the 24 months before you sold your EganStreet Shares; and

(2) more than 50% of the value of EganStreet is represented by real property in Australia.

In the event you are subject to CGT on the disposal of your EganStreet shares, you may be eligible for scrip for scrip rollover relief (see Section 10.5).

Your EganStreet Shares will also be taxable if you used your EganStreet Shares at any time in carrying on a business through a permanent establishment in Australia.

(c) Foreign Resident CGT Withholding Rules

Pursuant to the foreign resident CGT withholding tax rules, unless an exemption applies, a buyer (in this case Silver Lake) is required to withhold and pay (in cash) to the Commissioner an amount equal to 12.5% of the capital proceeds paid for the acquisition of EganStreet Shares from Foreign Shareholders (i.e., 12.5% of the market value of the Silver Lake Shares issued to acquire the EganStreet Shares).

Silver Lake will be required to withhold a portion of the Offer Consideration under the foreign resident CGT withholding tax rules where:

- (1) Silver Lake knows the EganStreet Shareholder is a foreign resident for Australian income tax purposes; or
- (2) Silver Lake reasonably believes that the EganStreet Shareholder is a foreign resident for Australian income tax purposes; or
- (3) Silver Lake does not reasonably believe that the EganStreet Shareholder is an Australian resident for Australian income tax purposes and either the EganStreet Shareholder has an address outside Australia (according to any record that is in Silver Lake's possession or is kept or maintained on Silver Lake's behalf about the disposal of EganStreet Shares) or Silver Lake is authorised to provide a related financial benefit to a place outside Australia; or
- (4) The EganStreet Shareholder has a connection outside Australia of a kind specified in the relevant tax regulations.

The foreign resident CGT withholding tax rules aim to facilitate the collection of CGT from foreign resident sellers and should only apply to the disposal of your EganStreet shares where you meet the following conditions:

- (1) you are a non resident of Australia for Australian income tax purposes; and
- (2) you (and your associates) owned at least 10% of EganStreet either at the time you sold your EganStreet Shares or for at least 12 months during the 24 months before you sold your EganStreet Shares; and
- (3) more than 50% of the value of EganStreet is represented by real property in Australia.

A relevant non-resident EganStreet Shareholder that does not meet the conditions of the foreign resident CGT withholding rules described above should provide Silver Lake with a signed and completed foreign resident declaration form (**Foreign Resident Declaration Form**). The relevant Foreign Resident Declaration Form is contained in the Acceptance Form, accompanying this Bidder's Statement. Where a non resident EganStreet Shareholder has provided a signed and completed Foreign Resident Declaration Form, Silver Lake should not be required to withhold the foreign resident CGT withholding amount. However, Silver Lake will be required to withhold the foreign resident CGT withholding amount where it does not receive a signed and completed Foreign Resident Declaration Form by the applicable payment date.

This may apply to the proceeds distributed to non-resident EganStreet Shareholders in accordance with the processes referred to in Sections 11.18 and 11.19.

The foreign resident CGT withholding is not a final withholding tax. Accordingly, EganStreet Shareholders may be able to claim a credit for any foreign resident CGT withholding amount remitted on their behalf in their Australian income tax return for the relevant year. In addition, the EganStreet Shareholder may apply to the ATO prior to the transaction to vary the rate of withholding down from 12.5% if the tax liability expected to arise from the disposal of EganStreet shares is less than 12.5% of the Offer Consideration.

10.4. GST

No GST should generally be payable on the transfer of EganStreet Shares, with the exception of any GST payable on any brokerage charged for carrying out your instructions in relation to accepting this Offer.

10.5. SCRIP FOR SCRIP ROLLOVER RELIEF

If, as a result of the Offer, Silver Lake becomes the owner of 80% or more of the voting shares in EganStreet, Shareholders who would otherwise make a capital gain in respect of the disposal of their EganStreet Shares may elect to obtain scrip for scrip rollover relief. The scrip for scrip rollover relief applies to the extent that the capital gain relates to the receipt of replacement Silver Lake Shares as consideration. If Silver Lake does not obtain 80% or more of the voting shares in EganStreet, no EganStreet Shareholder will be eligible for scrip for scrip rollover relief.

In the event that scrip for scrip rollover relief is available and has been elected by the EganStreet Shareholder, the part of the capital gain made from the receipt of replacement Silver Lake Shares as consideration may be disregarded and effectively deferred until the Shareholder disposes of the replacement Silver Lake Shares which they acquire under the Offer.

Making the rollover election will affect the cost base of the replacement Silver Lake Shares acquired by the Shareholders. By electing rollover relief, the cost base and reduced cost base of the replacement Silver Lake Shares will reflect proportionally the respective cost base and reduced cost base that the Shareholders have in their EganStreet Shares that are disposed of under the Offer to the extent that the EganStreet Shares are exchanged for replacement Silver Lake Shares.

In addition, the time of acquisition of the replacement Silver Lake Shares will be taken for CGT purposes to be the time that Shareholders acquired their EganStreet Shares. This acquisition date will be relevant for the purposes of determining any entitlement to the CGT discount on an otherwise assessable capital gain in relation to a subsequent dealing in your replacement Silver Lake Shares.

The benefit of choosing scrip for scrip rollover relief will depend upon the particular circumstances of Shareholders. As such, Shareholders should consult their own tax advisor for further advice in this regard. Making the rollover election will affect the tax consequences of a future disposal of the replacement Silver Lake Shares (refer to below).

Note that if a Shareholder realises a capital loss from accepting the Offer, rollover relief will not be available to that Shareholder. Capital losses can only be offset against capital gains realised by the Shareholder in the same year of income or in subsequent years of income, subject to satisfaction of any relevant tax loss utilisation rules.

Where an EganStreet Shareholder qualifies for a CGT discount (refer to discussion above), the capital gain may be reduced by the discount percentage.

No form is required to be lodged to evidence an EganStreet Shareholder's choice to apply the scrip for scrip rollover relief. Rather, the way an EganStreet Shareholder prepares their income tax return will be sufficient evidence of the making of that choice – that is, the choice can be evidenced by simply

excluding from the shareholder's tax return the relevant capital gain in respect of which scrip for scrip rollover relief has been applied.

Where an EganStreet Shareholder has applied scrip for scrip rollover relief, the cost base of the Silver Lake Shares received as consideration will be equal to the cost base of their EganStreet Shares. The cost base for their EganStreet Shares will generally be equal to the cost of acquiring the EganStreet Shares plus any incidental costs of acquisition and disposal (such as brokerage fees and legal costs).

The following is an example where rollover relief is chosen:

Assuming an EganStreet shareholder holds 1,000 EganStreet Shares and the average cost base per share was \$0.25. Under the Offer, the Shareholder will receive 270 Silver Lake Shares.

If, for example, the market value of the Silver Lake Shares on the date the Shareholder accepts the Offer is \$380, then the capital proceeds the Shareholder receives will be calculated as:

\$380 - \$250

Prima facie, the Shareholder would make a capital gain of:

\$130

However, the portion of this capital gain that is referable to the Silver Lake Shares will be disregarded if the Shareholder elects to obtain rollover relief.

Note: Shareholders should seek independent professional advice on the consequences of accepting the Offer based on their particular circumstances.

11. Additional information

11.1. DATE FOR DETERMINING HOLDERS OF EGANSTREET SHARES

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

11.2. CONSENT TO 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 target's shareholders, unless the directors of the target agree that it may be sent earlier. The directors of EganStreet have agreed that the Bidder's Statement may be sent to EganStreet Shareholders on any date from and including 19 August 2019.

11.3. BID IMPLEMENTATION DEED

On 29 July 2019, Silver Lake and EganStreet signed the Bid Implementation Deed to provide the framework for proposing and implementing the Offer.

A summary of the key terms of the Bid Implementation Deed is set out below.

(a) Exclusivity arrangements

The Bid Implementation Deed contains exclusivity obligations which apply until the earlier of the end of the Offer Period and the date on which the Bid Implementation Deed is terminated (**Exclusivity Period**).

During the exclusivity period EganStreet must ensure that neither it nor its representatives:

- (1) directly or indirectly solicit or encourage the submission of any enquiries, negotiations or discussions which might lead to obtaining any expression of interest, offer or proposal from any other person for a third party proposal (**No Shop Provision**);
- (2) directly or indirectly enter into or participate in any discussions or negotiations with any person regarding a third party proposal;
- (3) grant any other person any right to conduct due diligence in respect of it or any of its Associates;
- (4) enter into any arrangement which may lead to a third party proposal; or
- (5) endorse or propose to endorse any third party proposal.

EganStreet has also agreed that it will notify Silver Lake of any approach, inquiry or proposal or any attempt to initiate discussions regarding any third party proposal and further that Silver Lake will have matching rights exercisable within five (5) Business Days of receiving notice.

The exclusivity obligations (except the No Shop Provision) do not restrain EganStreet to the extent not engaging in the relevant conduct would, in the opinion of the EganStreet Board, after receiving legal advice, constitute a breach of the EganStreet Directors' fiduciary and statutory duties.

(b) Conduct of business

EganStreet agrees to carry on business in the usual and ordinary course to the end of the Offer Period and consult with and inform Silver Lake regarding certain material contracts and business decisions.

(c) Promotion of Offer

EganStreet has certain standard obligations to promote the Offer, such as including statements in all public statements to the effect that the EganStreet Directors unanimously recommend that EganStreet Shareholders accept the Offer in the absence of a Superior Proposal.

(d) Board appointments

Upon the Offer becoming Unconditional and Silver Lake acquiring a Relevant Interest in more than 50.1% of the voting shares of EganStreet, EganStreet has agreed to use reasonable endeavours to

- (1) appoint those persons nominated by Silver Lake as would constitute those nominees (acting together) as a majority of the directors on the EganStreet Board; and
- (2) ensure that such members of the EganStreet Board as nominated by Silver Lake resign from the EganStreet Board.

(e) Break fees

Silver Lake is entitled to a Break Fee (being \$500,000) in accordance with clause 9 of the Bid Implementation Deed, in circumstances where:

- (1) any of the EganStreet Directors does not recommend the Offer or recommend against, qualifies their support of or withdraws their recommendation or approval of the Offer;
- (2) a Competing Proposal is announced or made during the Exclusivity Period and any of the EganStreet Directors recommends that Competing Proposal or the third party who announced or made the Competing Proposal completes the Competing Proposal or acquires more than 50% of EganStreet;
- (3) a general meeting of EganStreet approves the implementation or taking of any step that would, or would be likely to, prevent a Condition being satisfied or result in a Condition not being satisfied;
- (4) EganStreet does or the EganStreet Directors do (or omit to do) anything (whether or not it may be permitted by the terms of this deed) which results in any of the Conditions being breached, unless Silver Lake declares the Offer free of the breached Condition (which it may do so in its absolute discretion);
- (5) there is a breach of exclusivity in clause 8 of the Bid Implementation Deed by EganStreet;
- (6) EganStreet is in material breach of the Bid Implementation Deed (other than clause 8), and that material breach is not remedied within 5 Business Days of EganStreet receiving notice to remedy from Silver Lake;

provided in each case that a Break Fee will only be payable after the Offer has closed and provided that at that time Silver Lake has not acquired (or gained enforceable rights to acquire) more than 90% of EganStreet Shares and no Break Fee will be payable where EganStreet terminates the deed in accordance with clause 11.1(a), 11.1(c), 11.1(d) or 11.2 of the Bid Implementation Deed.

EganStreet is entitled to a Break Fee in accordance with clause 9 of the Bid Implementation Deed, in circumstances where EganStreet terminates the Bid Implementation Deed where Silver Lake is in

material breach of the Bid Implementation Deed, and that material breach is not remedied within 5 Business Days of Silver Lake receiving notice to remedy from EganStreet.

(f) Representations and Warranties

Silver Lake, in clause 7.3 to the Bid Implementation Deed, and EganStreet, in clause 7.1 to the Bid Implementation Deed, have each given representations and warranties to the other, customary for a transaction of this nature.

(g) Termination Rights

Clause 11 of the Bid Implementation Deed sets out the termination rights of each party. These are summarised below.

(1) Termination by either party

Either party may terminate the Bid Implementation Deed by written notice to the other party if:

- (A) the other is in material breach of this deed and that breach is not remedied by that other within 5 Business Days of it receiving notice from the non-defaulting party of the details of the breach and the non-defaulting party's intention to terminate; or
- (B) Silver Lake withdraws the Takeover Bid for any reason permitted by law including non-satisfaction of a Condition; or
- (C) Silver Lake fails to lodge the Bidder's Statement with ASIC or dispatch offers under the Takeover Bid to EganStreet Shareholders in accordance with the Corporations Act; or
- (D) a Public Authority issues an order or decree or takes action that permanently restrains or prohibits the Takeover Bid or Offer (and it is not reasonably capable of successful appeal or review).

(2) Termination by EganStreet

EganStreet may terminate by written notice to Silver Lake if:

- (A) the majority of the EganStreet Directors recommend a Superior Proposal, provided always that the exclusivity provisions have been complied with and Silver Lake has decided not to match that Superior Proposal; or
- (B) a Silver Lake Material Adverse Change occurs.

(3) Termination by Silver Lake

Silver Lake may terminate the Bid Implementation Deed if:

- (A) a Superior Proposal is publicly announced by a Third Party in respect of EganStreet; or
- (B) an EganStreet Director does not recommend the Offer to holders of EganStreet Shares as described or recommends against, qualifies their support of or withdraws their recommendation or approval of the Offer.

A copy of the Bid Implementation Deed was lodged with the ASX on 30 July 2019 and can be obtained from ASX's website www.asx.com.au (ASX:SLR).

11.4. EXPIRY DATE

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the Date of this Bidder's Statement, and pursuant to the Corporations Act the Offer Period may not exceed 12 months.

11.5. IMPLIED VALUE OF THE OFFER

Accepting EganStreet Shareholders will receive 0.27 Silver Lake Shares for each EganStreet Share they hold.

Based on the closing price of a Silver Lake Share on ASX on 13 August 2019 (the last practicable trading day before the Date of this Bidder's Statement), of \$1.29, the implied value of the Offer is \$0.35 per EganStreet Share.

Given that the consideration offered for EganStreet Shares takes the form of Silver Lake Shares, the implied value of the Offer will change as a consequence of changes in the market price of Silver Lake Shares from time to time. The following table may assist EganStreet Shareholders to determine the implied value of the Offer at different Silver Lake Share price levels. The table is not an indication of prices at which Silver Lake Shares may trade – Silver Lake Shares may trade within this range or at higher or lower levels.

Figure 32: Implied Value of the Offer at different Silver Lake Share price levels

Silver Lake Share Price	Implied Offer Per EganStreet Share (A\$/sh)	Implied Value of the Offer (A\$M)	Implied Value of the Options Offer (A\$M)	Total Implied EganStreet Equity Value (A\$M)
\$1.14	\$0.31	42,177,997	1,287,574	43,465,572
\$1.19	\$0.32	44,036,059	1,344,296	45,380,354
\$1.24	\$0.33	45,894,120	1,401,017	47,295,137
\$1.29	\$0.35	47,752,182	1,457,738	49,209,920
\$1.34	\$0.36	49,610,243	1,514,460	51,124,703
\$1.39	\$0.37	51,468,305	1,571,181	53,039,486
\$1.44	\$0.39	53,326,367	1,627,902	54,954,269
\$1.49	\$0.40	55,184,428	1,684,624	56,869,052
\$1.54	\$0.41	57,042,490	1,741,345	58,783,835

11.6. OFFER FOR EGANSTREET OPTIONS

EganStreet Optionholders may exercise their Options (subject to any relevant vesting conditions being satisfied) and accept the Offer in respect of the EganStreet Shares issued.

Silver Lake also agreed under the Bid Implementation Deed to make separate private treaty offers to EganStreet Optionholders to have their Options cancelled for the following consideration, based on a Black Scholes valuation of the EganStreet Options and the implied value of the Offer as at the date of the Bid Implementation Deed.

Figure 33: Terms offered for EganStreet Options

Number	Exercise Price	Expiry	Consideration (number of Silver Lake Shares per EganStreet Option)
8,250,000	\$0.25	13 September 2019	0.117
350,000	\$0.453	13 September 2019	0.014
450,000	\$0.476	13 September 2019	0.009
270,000	\$0.339	13 September 2019	0.036
250,000	\$0.381	13 September 2019	0.028
2,650,000	\$0.375	13 September 2019	0.029
1,500,000	\$0.30	22 August 2021	0.045

If all EganStreet Optionholders accept the private offers for their Options, and the offers become unconditional, Silver Lake will issue 1,134,427 Silver Lake Shares as consideration.

The cancellation of EganStreet Options for consideration and without shareholder approval will require a waiver from ASX Listing Rule 6.23.2 (which will itself likely contain conditions that must be satisfied, expected to be that the Offer becomes Unconditional and Silver Lake reaches a voting power of 50.1% of EganStreet).

11.7. EGANSTREET PERFORMANCE RIGHTS

All of the EganStreet Performance Rights on issue as at the Date of this Bidder's Statement are held by EganStreet Directors or EganStreet employees. The EganStreet Performance Rights on issue will vest upon EganStreet receiving this Bidder's Statement. Accordingly, it is intended that the EganStreet Performance Rights will have vested and been exercised, and the resultant EganStreet Shares issued before the end of the Offer Period, such that the holders may participate in the Offer in the same manner as the other holders of EganStreet Shares.

11.8. SILVER LAKE'S INTERESTS IN EGANSTREET SECURITIES

As at the date of this Bidder's Statement:

- (a) Silver Lake's voting power in EganStreet was 0.25%; and
- (b) Silver Lake had a relevant interest in 16.45% EganStreet Shares.

11.9. PRE-BID ACCEPTANCE DEED WITH LION SELECTION GROUP LIMITED

Silver Lake has entered into a Pre-Bid Acceptance Deed with Lion Selection, under which it has agreed to accept the Offer in respect of its 16.2% holding.

Lion Selection holds 21,137,007 EganStreet Shares as at the date of the Pre-Bid Acceptance Deed and has entered into the Pre-Bid Acceptance Deed with Silver Lake in respect of all its shares in EganStreet. Terms of the Pre-Bid Acceptance Deed include:

- (a) the ability for Lion Selection to terminate the Pre-Bid Acceptance Deed (before acceptance of the Offer) in the event of a competing proposal which is not matched by Silver Lake;
- (b) Lion Selection's acceptance being required by the 5th Business Day of the Offer Period; and
- (c) Silver Lake's Offer can only be declared unconditional with minimum shareholder acceptances (including Lion Selection) of 38%, subject to Lion Selection's waiver.

11.10. ACQUISITION OF EGANSTREET SECURITIES DURING PREVIOUS FOUR MONTHS

Other than the Pre-Bid Acceptance Deed, during the period beginning four months before the Date of this Bidder's Statement and ending the day immediately before the date of the Offer, neither Silver Lake nor any associate of Silver Lake has provided, or agreed to provide, consideration for any EganStreet Shares or EganStreet Options.

11.11. SILVER LAKE DIRECTORS' INTERESTS IN EGANSTREET SECURITIES

There has been no dealing in and no agreement to deal has been entered into in respect of any marketable securities of EganStreet by any Silver Lake Director in the four months preceding the Date of this Bidder's Statement.

11.12. SILVER LAKE DIRECTORS INTERESTS IN SILVER LAKE SHARES

The table below shows the interests of the Silver Lake Directors in Silver Lake Shares and Silver Lake Performance Rights at the Date of this Bidder's Statement.

Figure 34: Silver Lake Directors interests in Silver Lake Shares and Performance Rights

Name	Number of Silver Lake Shares	Number of Silver Lake Performance Rights
David Quinlivan	Nil	Nil
Luke Tonkin*	1,458,117	3,017,389
Les Davis	1,000,000	Nil
Kelvin Flynn	Nil	Nil
Peter Alexander	18,165	Nil
Total	2,476,282	3,017,389

* Note: Silver Lake intends in the near term to offer and issue up to 3,145,866 Silver Lake Performance Rights pursuant to FY20 incentives, of which 696,052 will be issued to Luke Tonkin.

11.13. DISCLOSURE OF FEES AND OTHER BENEFITS

Except as disclosed elsewhere in this Bidder's Statement, Silver Lake has not paid or agreed to pay any fees, or provided or agreed to provide any benefit to:

- (a) a director or proposed director of Silver Lake to induce them to become or qualify as a director of Silver Lake; or
- (b) any Interested Person for services provided by that person in connection with:
 - (1) the formation or promotion of Silver Lake or the Enlarged Group; or
 - (2) the offer of Silver Lake Shares under the Offer.

HopgoodGanim has acted as legal adviser to Silver Lake in relation to the Offer and Silver Lake has paid or agreed to pay fees of \$130,000 to the Date of this Bidder's Statement (and may pay or agree to pay additional fees for legal services in connection with the Offer). RBC Capital Markets and Sternship Advisers have acted as financial advisers to Silver Lake in relation to the Offer and Silver Lake has paid or agreed to pay fees of \$500,000 in aggregate on successful completion of the Offer. The fees paid in connection with the preparation and distribution of this Bidder's Statement and for services provided in

connection with the Offer, including legal, taxation and financial advisers and registry fees, are expected to total approximately \$700,000.

11.14. COLLATERAL BENEFITS

Neither Silver Lake nor any of its Associates has, during the period of four months ending on the day immediately before the date of the Offer, given, offered to give or agreed to give a benefit to another person where the benefit was likely to induce the other person, or an associate, to:

- (a) accept the Offer; or
- (b) dispose of EganStreet Shares,

which benefit was not offered to all EganStreet Shareholders under the Offer.

11.15. NO ESCALATION AGREEMENTS

Neither Silver Lake nor any of its Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

11.16. RIGHTS ATTACHING TO SILVER LAKE SHARES

The Silver Lake Shares issued as the Offer Consideration will be fully paid and rank equally with the existing Silver Lake Shares then on issue.

A summary of the principal rights attaching to Silver Lake Shares is in Section 5.12.

An application will be made by Silver Lake to ASX for the granting of official quotation of the Silver Lake Shares issued as the Offer Consideration within seven days after the Date of this Bidder's Statement. Quotation is not guaranteed or automatic on such application, but quotation is expected in the ordinary course as Silver Lake is already admitted to the official list of ASX and shares of the same class as those to be issued as the consideration under the Offer have been granted official quotation by ASX.

The Silver Lake Performance Rights were issued pursuant to the terms of the Silver Lake LTIP, and further Silver Lake Performance Rights may be issued from time to time pursuant to the Silver Lake LTIP.

11.17. SOCIAL SECURITY AND SUPERANNUATION IMPLICATIONS OF THE OFFER

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

11.18. FOREIGN SHAREHOLDERS

EganStreet Shareholders who are Foreign Shareholders will not be entitled to receive Silver Lake Shares as consideration for their EganStreet Shares pursuant to the Offer.

An EganStreet Shareholder is a Foreign Shareholder for the purposes of the Offer if their address as shown in the register of members of EganStreet is in a jurisdiction other than Australia or its external territories. However, such a person will not be a Foreign Shareholder if Silver Lake is satisfied that it is not legally or practically constrained from making the Offer to a EganStreet Shareholder in the relevant jurisdiction and to issue Silver Lake Shares to such a shareholder on acceptance of the Offer, and that it is lawful for the shareholder to accept the Offer in such circumstances in the relevant jurisdiction.

Notwithstanding anything else in this Bidder's Statement, Silver Lake is not under any obligation to spend any money, or undertake any action, in order to satisfy itself concerning any of these matters.

The Silver Lake Shares which would otherwise have been issued to Foreign Shareholders will instead be issued to a Nominee, who will sell these shares. The net proceeds of the sale of such shares will then be remitted to the relevant Foreign Shareholders. See Appendix A, clause A5(f) for further details.

11.19. SMALL PARCEL SHAREHOLDERS

If the total number of Silver Lake Shares which a EganStreet Shareholder is entitled to receive as consideration under the Offer is a Small Parcel, that EganStreet Shareholder will be a Small Parcel Shareholder and will not be entitled to receive Silver Lake Shares as consideration for its EganStreet Shares pursuant to the Offer.

The Silver Lake Shares which would otherwise have been issued to Small Parcel Shareholders will instead be issued to a Nominee, who will sell those shares. The net proceeds of the sale of such shares will then be remitted to the relevant Small Parcel Shareholders. See Appendix A, clause A5(f) for further details.

11.20. ORE RESERVES AND MINERAL RESOURCES

The information contained in this Bidder's Statement in relation to Silver Lake's Mineral Resources and Ore Reserves were reported in the Silver Lake ASX announcement dated 24 August 2018 "Mineral Resource and Ore Reserve Statement" and in the Doray Minerals ASX Announcements "Annual Mineral Resources and Ore Reserves Statement", 11 July 2018 and "100,000oz Da Vinci High-Grade Resource", 20 September 2018 (**Original Announcements**). Silver Lake confirms that it is not aware of any new information or data that materially affects the information included in the Original Announcements and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates continue to apply and have not materially changed. The form and context of the competent person's findings as presented have not changed from the Original Announcements.

The information contained in this Bidder's Statement in relation to EganStreet's Mineral Resources and Ore Reserves has been extracted from EganStreet ASX Announcements "EganStreet Increases Rothsay Ore Reserve By 18% To 235,000 Ounces" dated 1 August 2019 and "Rothsay Ore Reserve - Supplementary Reserve" dated 13 August 2019 and from "Rothsay Resource Increases to 454,000oz at 9.2g/t Au" dated 27 November 2018.

11.21. CONSENTS

RBC Capital Markets has given and has not, before the Date of this Bidder's Statement, withdrawn its written consent to be named in this Bidder's Statement as Silver Lake's Australian financial adviser in the form and context in which it is so named.

Sternship Advisers has given and has not, before the Date of this Bidder's Statement, withdrawn its written consent to be named in this Bidder's Statement as Silver Lake's Australian financial adviser in the form and context in which it is so named.

HopgoodGanim Lawyers has given and has not, before the Date of this Bidder's Statement, withdrawn its written consent to be named in this Bidder's Statement as Silver Lake's Australian legal advisers in the form and context in which it is so named.

Computershare Investor Services Pty Limited has given and has not, before the Date of this Bidder's Statement, withdrawn its written consent to be named in this Bidder's Statement in the form and

context in which it is so named. Computershare Investor Services Pty Limited has had no involvement in the preparation of any part of this Bidder's Statement other than confirming references to its name.

Each person named above as having given its consent to the inclusion of a statement or to being named in this Bidder's Statement:

- (a) does not make, or purport to make, any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement 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 Bidder's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, 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 which has been included in this Bidder's Statement with the consent of that party.

11.22. DISCLOSURE OF INTERESTS OF CERTAIN PERSONS

Other than as set out in this Bidder's Statement no:

- (a) director or proposed director of Silver Lake;
- (b) 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;
- (c) promoter of Silver Lake; or
- (d) underwriter to the issue of Silver Lake Shares or financial services licensee named in this Bidder's Statement as being involved in the issue of Silver Lake Shares,
(together, the **Interested Persons**) holds at the Date of this Bidder's Statement or held at any time during the last two years, any interest in:
 - (1) the formation or promotion of Silver Lake;
 - (2) property acquired or proposed to be acquired by Silver Lake in connection with its formation or promotion, or the offer of Silver Lake Shares under the Offer; or
 - (3) the offer of Silver Lake Shares under the Offer.

11.23. REMUNERATION OF SILVER LAKE DIRECTORS

The constitution of Silver Lake provides that the non-executive directors may collectively be paid as remuneration for their services a fixed sum not exceeding the aggregate maximum sum per annum from time to time determined by Silver Lake in general meeting (which is currently \$1 million per annum). The total remuneration (including base, superannuation and short term incentives), of existing Silver Lake Directors for the past two financial years are as follows:

Figure 35: Director Remuneration for the years ended 30 June 2018 and 30 June 2019		
Name	FY18	FY19
David Quinlivan	\$190,256	\$190,256
Luke Tonkin	\$1,013,508	\$1,081,031
Les Davis	\$125,925	\$125,925
Kelvin Flynn	\$125,925	\$125,925
Peter Alexander	-	\$29,059
Total	\$1,455,614	\$1,552,196

11.24. PUBLIC STATEMENTS

This Bidder's Statement includes statements which are made in, or based on statements made in, documents lodged with ASIC or announced on the company announcements platform of the ASX. Under the terms of ASIC Class Order [CO 13/521], the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, (free of charge), during the Offer Period, please call (08) 6313 3800 (within Australia) or +61 8 6313 3800 (callers outside Australia).

11.25. NO UNACCEPTABLE CIRCUMSTANCES

The Silver Lake Directors do not believe that the Offer involves any circumstances in relation to the affairs of any member of EganStreet or Silver Lake that could reasonably be characterised as constituting "unacceptable circumstances" for the purposes of section 657A of the Corporations Act.

11.26. EFFECTS OF ROUNDING

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this document are subject to the effect of rounding. Accordingly, the actual calculations of these figures may differ from the figures set out in this Bidder's Statement.

11.27. DATA IN CHARTS, GRAPHS AND TABLES

Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the latest reasonably practicable date before the Date of this Bidder's Statement. Any discrepancies in any chart, graph or table between totals and sums of amounts presented or listed therein or to previous published financial figures are due to rounding.

11.28. OTHER MATERIAL INFORMATION

Except as disclosed elsewhere in this Bidder's Statement, there is no other information that is:

- (a) material to the making of a decision by an EganStreet Shareholder whether or not to accept the Offer; and
- (b) known to Silver Lake, which has not previously been disclosed to EganStreet Shareholders.

The Corporations Act only requires that Silver Lake disclose information which is as up to date as is reasonable in the circumstances.

12. Definitions and interpretation

12.1. DEFINITIONS

In this Bidder's Statement and in the Acceptance Form unless the context otherwise requires, the following terms have the meanings shown below:

\$ or A\$ means Australian dollars, the lawful currency of the Commonwealth of Australia.

ABN means Australian business number.

Acceptance means acceptance of the Offer given in accordance with Appendix A, clause A4.

Acceptance Form means the form of acceptance and transfer with the title "CHESS Acceptance Form" or "Issuer Acceptance Form" accompanying this Bidder's Statement, or as the context requires, both of those forms, or any replacement or substitute acceptance form provided by or on behalf of Silver Lake (the Instructions on which are for guidance only and do not form part of this Offer).

AISC means all-in sustaining costs.

Alternate Processing Arrangement means any transaction between EganStreet and a Third Party for an alternate processing option for Rothsay, including leasing or toll treating, which is substantially different than the processing option set out in EganStreet's disclosure to the ASX prior to the execution date of the Bid Implementation Deed including the "updated definitive feasibility study" outcomes announced on 12 February 2019.

Announcement Date means 30 July 2019.

Appendix means either Appendix A, or Appendix B, as applicable, annexed to this Bidder's Statement.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given by the Corporations Act.

ASX means ASX Limited ABN 98 008 624 691 or, as the context requires, the financial market operated by it.

ASX Listing Rules means the official listing rules of ASX as amended, varied or waived from time to time

ASX Settlement means ASX Settlement Pty Ltd (ACN 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement which govern the administration of CHESS.

Bid Implementation Deed means the agreement between Silver Lake and EganStreet entered into on 29 July 2019.

Bid Period means the period between the date this Bidder's Statement is given to EganStreet and the end of the Offer Period.

Bidder's Statement means this document (including all appendices to it), being the statement of Silver Lake pursuant to Part 6.5 Division 2 of the Corporations Act relating to the Offer, and includes any supplementary bidder's statement issued by Silver Lake.

Black Scholes means the Black Scholes option pricing formula.

Broker means a person who is a share broker and a participant in CHESS.

Business Day means a day on which banks are open for business in Western Australia excluding a Saturday, Sunday or public holiday.

CGT means capital gains tax.

CHES means the Clearing House Electronic Subregister System for the electronic transfer of securities operated by ASX Settlement.

CHES Acceptance Form means the transfer and acceptance form entitled “CHES Acceptance Form” accompanying this Bidder’s Statement (for EganStreet Shareholders with a CHES Holding), which form may be used, in accordance with the Offer Terms, to relay an instruction to accept the Offer in respect of your EganStreet Shares in a CHES Holding (instead of you directly instructing your Controlling Participant to initiate acceptance on your behalf) – see Appendix A, clause A4(b)(1) of the Offer Terms.).

CHES Holding means a holding of EganStreet Shares on the CHES subregister of EganStreet.

Conditions means the conditions of the Offer detailed in Section 4.1.4 and Appendix A, clause A5.

Control means has the meaning given in section 50AA of the Corporations Act.

Controlling Participant means the person who is designated as the controlling participant for shares in a CHES Holding in accordance with the ASX Settlement Operating Rules.

Competing Proposal means any expression of interest, proposal, offer, transaction or arrangement:

- (a) which, if entered into or completed, would result in a Third Party (either alone or together with any Associate):
 - (1) holding a Relevant Interest or economic interest in (or the have the right to acquire a Relevant Interest or economic interest in) 50% or more of the EganStreet Shares;
 - (2) directly or indirectly acquiring or obtaining an economic interest in all or substantially all of the business conducted by, or assets or property of, the EganStreet Group;
 - (3) acquiring Control of EganStreet; or
 - (4) otherwise acquiring, or merging with, EganStreet, whether by way of takeover bid, scheme of arrangement, shareholder-approved transaction, capital reduction, share buy-back, sale or purchase of securities, issue of securities, sale of assets, strategic alliance, dual listed company structure (or other synthetic merger), joint venture, partnership, or other transaction or arrangement; or
- (b) which requires or would require EganStreet or any EganStreet Director to change, withdraw or modify their recommendation of the Takeover Bid; or
- (c) that would, or would reasonably be expected to, reduce the likelihood of success of the Takeover Bid.

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

Date of Bidder’s Statement means 14 August 2019.

Date of Offer means [●] August 2019.

Deflector means the Deflector Mine Operations 100% owned by Silver Lake.

Doray Minerals means the entity formerly known as Doray Minerals Limited (ASX: DRM) at time of acquisition by Silver Lake in April 2019.

EganStreet means Egan Street Resources Limited (ACN 144 766 236) (ASX: EGA).

EganStreet Board means the board of directors of EganStreet.

EganStreet Director means a director of EganStreet.

EganStreet Group means EganStreet and its Subsidiaries.

EganStreet Material Adverse Change means a change as set out in Appendix A, clause A6(c).

EganStreet Options means options to subscribe for EganStreet Shares.

EganStreet Optionholder means a registered holder of EganStreet Options.

EganStreet Performance Rights means performance rights issued by EganStreet prior to the Announcement Date and pursuant to which, subject to terms and conditions of the applicable plan, the holder may be issued EganStreet Shares.

EganStreet Share Registry means Computershare Investor Services Pty Ltd.

EganStreet Shareholder means a holder of EganStreet Shares.

EganStreet Shares means fully paid ordinary shares in the capital of EganStreet.

Encumbrance means in respect of an asset, a charge, lien, mortgage, encumbrance or other security interest or interest of a third party of any kind, whether legal or otherwise, or a restriction on transfer of any kind.

Enlarged Group means the Silver Lake Group following its acquisition of all or a majority of the EganStreet Shares (though, if less than 100% of the EganStreet Shares are acquired, any residual interests of the minority EganStreet Shareholders in the production, resource and assets of EganStreet would need to be taken into account).

Enlarged Group Board means the board of directors of the Enlarged Group.

ETF means Exchange Traded Funds.

Fairly Disclosed means sufficient information has been disclosed that a sophisticated investor, experienced in transactions of the nature of the takeover bids and familiar with the business of EganStreet would be aware of the substance and significance of the information.

Financing Arrangement means any transaction entered into by EganStreet or EganStreet Group that results, or would be likely to result, in an Encumbrance equal to or more than A\$1,000,000 or equity raising equal to or more than A\$1,000,000.

Foreign Resident Declaration Form has the meaning given in Section 10.3 (and is included in the Acceptance Form, with instructions for both CHESS Holdings and Issuer Sponsored Holdings, as applicable).

Foreign Shareholder means an EganStreet Shareholder who is a resident of a jurisdiction other than Australia and its external territories or whose address shown in EganStreet's register of members is a place outside Australia and its external territories.

GST means Australian goods and services tax.

HIN stands for Holder Identification Number, being the number that starts with an "X", allocated by a Controlling Participant to identify an EganStreet Shareholder with a CHESS Holding.

Instructions means those instructions on how to accept the Offer set out more particularly on the Acceptance Form.

Interested Person has the meaning given in Section 11.22.

Issuer Acceptance Form means the transfer and acceptance form entitled "Issuer Acceptance Form" accompanying this Bidder's Statement (for EganStreet Shareholders with an Issuer Sponsored Holding),

which form must be used to accept the Offer in respect of your EganStreet Shares in an Issuer Sponsored Holding – see Appendix A, clause A4(b)(3).

Issuer Sponsored Holding means a holding of EganStreet Shares on EganStreet’s Issuer Sponsored Subregister.

Issuer Sponsored Subregister has the meaning given in the ASX Settlement Operating Rules.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the 2012 edition.

JORC Reserves and Resources means Reserves and Resources as defined in the JORC Code.

Lion Selection means Lion Selection Group Ltd (ACN 077 729 572).

Mineral Resource, Indicated Mineral Resource, Inferred Mineral Resource, and Measured Mineral Resource have the meanings given in the JORC Code.

Minimum Acceptance Condition means the minimum acceptance condition as defined in Appendix A, clause A6(a).

Mount Monger means the Mount Monger Operations owned 100% by Silver Lake.

Nominee means a nominee approved by ASIC in respect of a Foreign Shareholder or a Small Parcel Shareholder.

Offer means the offer by Silver Lake on the Offer Terms to acquire EganStreet Shares (and for the avoidance of doubt includes each such offer made to an individual EganStreet Shareholder pursuant to that offer).

Offer Consideration means 0.27 Silver Lake Shares for each one (1) EganStreet Share.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with Appendix A, clause A3 to this Bidder’s Statement.

Offer Terms means the terms and conditions of the Offer set out in Appendix A to this Bidder’s Statement.

Options Offer means the private offers made to EganStreet Optionholders referred to in Section 11.6.

Ore Reserve has the meaning given in the JORC Code.

Participant has the meaning set out in the ASX Settlement Operating Rules.

Pre-Bid Acceptance Deed means the pre-bid acceptance deed entered into by Silver Lake and Lion Selection dated 29 July 2019 as varied or amended from time to time.

Prescribed Occurrence means any of the events set out in Appendix A, clause A6(g).

Public Authority means any government or governmental, semi-governmental, administrative, fiscal, regulatory or judicial body, department, commission, authority, office, instrumentality, tribunal, agency, delegate, organisation or entity, or any minister of the Crown.

Register Date means the date set by Silver Lake under section 633(2) of the Corporations Act, being 7.00pm (Sydney time) on 14 August 2019.

Regulatory Approvals means all approvals which are required by law or by any Public Authority.

Related Body Corporate has the meaning given to that term in the Corporations Act.

Relevant Interest has the meaning given to that term in the Corporations Act.

Rights means all accreditations, rights or benefits of whatever kind attaching or arising from EganStreet Shares directly or indirectly at or after the Announcement Date (including, but not limited to, all dividends and all rights to receive them, or rights to receive or subscribe for shares, notes, bonds, warrants, options or other securities declared, paid or issued by EganStreet or any of its subsidiaries).

Rothsay means the Rothsay gold project located 300km north east of Perth, Western Australia and incorporating licences M59/39, M59/40, E 59/2254, E59/1234, E59/2183, E59/2354 and E59/2355 and L59/24 and application for E59/2320 (once granted).

Silver Lake means Silver Lake Resources Limited ACN 108 779 782 (ASX: SLR).

Silver Lake Board means the board of directors of Silver Lake.

Silver Lake Director means a director of Silver Lake.

Silver Lake Group means Silver Lake and its Subsidiaries.

Silver Lake LTIP means the Silver Lake long term incentive plan, as explained in the remuneration report set out in the Silver Lake Annual Report for the year ended 30 June 2018.

Silver Lake Material Adverse Change means any act, omission, event, change, matter or circumstance occurring, or being discovered or becoming public (either individually or aggregated with other acts, omissions, events, changes, matters or circumstances) which has or could reasonably be expected to have a materially adverse effect on the:

- (a) assets, financial or trading position, performance, profitability or prospects of the Silver Lake Group, taken as a whole; or
- (b) status or terms of any material approvals, licences, tenements or permits issued by any Public Authority to any entity within the Silver Lake Group,

but does not include:

- (c) those events or circumstances required to be done or procured by the Silver Lake pursuant to this deed;
- (d) those events or circumstances relating to changes in business conditions affecting industry in which both Silver Lake and EganStreet operate in including:
 - (1) changes in commodity prices, exchange rates or interest rates; or
 - (2) general economic, political or business conditions; or
 - (3) changes in laws, regulations and standards (including accounting standards); or
- (e) any event, circumstance or matter or information that is Fairly Disclosed by Silver Lake, or that is reasonably apparent on its face as potentially to flow from the event, occurrence, matter or information that is Fairly Disclosed by Silver Lake; or
- (f) any event which took place with the prior written consent of EganStreet.

Silver Lake Performance Rights means performance rights in Silver Lake, pursuant to which subject to the terms and conditions of the Silver Lake LTIP, the holder may be issued Silver Lake Shares.

Silver Lake Shares means fully paid ordinary shares in the capital of Silver Lake.

Silver Lake Shareholder means a holder of Silver Lake Shares.

Small Parcel means a parcel of Silver Lake Shares having a value of less than A\$500 based on the highest closing price of Silver Lake Shares on ASX during the period from the Date of this Bidder's Statement

until the earlier of the end of the Offer Period and five (5) ASX trading days before the first day on which Silver Lake must provide the Offer Consideration under the Offer.

Small Parcel Shareholder means an EganStreet Shareholder in respect of whom the total number of Silver Lake Shares to which that EganStreet Shareholder would be entitled to receive as consideration under the Offer is a Small Parcel.

Specified Amount means A\$300,000.

SRN stands for Securityholder Reference Number, which is the number that starts with an "I", allocated by EganStreet to identify an EganStreet Shareholder with an Issuer Sponsored Holding.

Subsidiary has the meaning given to that term in the Corporations Act.

Superior Proposal means a bona fide Competing Proposal after the execution date of the Bid Implementation Deed which the EganStreet Directors have determined, acting in good faith and in order to satisfy what EganStreet Directors consider to be their fiduciary or statutory duties (and after having taken written advice from their external financial and legal advisers):

- (a) is reasonably capable of being valued and completed on a timely basis, taking into account all aspects of the Competing Proposal, including the identity of the person making it, and any legal, financial, regulatory and timing considerations and any conditions precedent; and
- (b) would, if completed substantially in accordance with its terms, be more favourable to EganStreet Shareholders (as a whole) than the Takeover Bid, (as such Takeover Bid may be amended or varied following application of the matching rights in clause 8.5 of the Bid Implementation Deed) taking into account all the terms and conditions of the Competing Proposal and the identity of the person making the Competing Proposal,

other than, for the avoidance of doubt, a stand-alone Financing Arrangement for the development of Rothsay or Alternate Processing Arrangement.

Target's Statement means the target's statement to be prepared by EganStreet in relation to the Offer in compliance with Part 6.5 of the Corporations Act.

Takeover Bid means the off-market bid by Silver Lake for all EganStreet Shares under Chapter 6 of the Corporations Act and pursuant to the Bid Implementation Deed.

Tenements means:

- (a) Rothsay located 300km north east of Perth, Western Australia and incorporating licences M59/39, M59/40, E 59/2254, E59/1234, E59/2183 , E59/2354 and E59/2355 and L59/24 and application for E59/2320 (once granted); and
- (b) E08/2847 located south of Onslow, Western Australia.

Third Party means a person other than Silver Lake or a member of the Silver Lake Group.

Third Party Consents means any consent, agreement, licence, waiver or approval from a Third Party in relation to a contract of EganStreet or EganStreet Group which the parties have agreed in writing is necessary for implementation of the Takeover Bid.

Unconditional means that the Offer has been declared or otherwise freed of all Conditions.

12.2. INTERPRETATION

In this Bidder's Statement and in the Acceptance Form, unless the context otherwise appears:

- (a) words and phrases have the same meaning (if any) given to them in the Corporations Act;
- (b) words importing a gender include any gender;
- (c) words importing the singular include the plural and vice versa;
- (d) an expression importing a natural person includes any company, partnership, joint venture, association, corporation or other body corporate and vice versa;
- (e) a reference to a section, annexure, appendix or schedule is a reference to a section of or an annexure, appendix or schedule to this Bidder's Statement as relevant;
- (f) a reference to any statute, regulation, proclamation, ordinance or by-law includes all statutes, regulations, proclamations, ordinances, or by-laws amending, varying, consolidating or replacing it and a reference to a statute includes all regulations, proclamations, ordinances and by-laws issued under that statute;
- (g) headings and boldings are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (h) the words "include", "including", "for example" or "such as" are not used as, nor are they to be interpreted as, words of limitation, and, when introducing an example, do not limit the meaning of the words to which the example relates to that example or examples of a similar kind;
- (i) a reference to "you" is to a person to whom the Offer is (or is deemed to be) made;
- (j) a reference to time is a reference to time in Sydney, New South Wales (unless otherwise stated); and
- (k) a reference to writing includes facsimile transmissions.

12.3. APPROVAL OF BIDDER'S STATEMENT

The copy of this Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the directors of Silver Lake.

Signed by Luke Tonkin, who is authorised by the resolution referred to above to sign this Bidder's Statement for and on behalf of Silver Lake.



Luke Tonkin
Managing Director
Silver Lake Resources Limited

Date: 14 August 2019

APPENDIX A: FORMAL TERMS OF THE OFFER

A1. OFFER

- (a) Silver Lake offers to acquire all of your EganStreet Shares, together with all Rights attaching to them, on the following terms and conditions.
- (b) The Offer extends to any person who is able during the Offer Period to give good title to EganStreet Shares and has not already accepted an Offer for those EganStreet Shares (see clause A8 below).
- (c) The Offer relates to EganStreet Shares that exist or will exist at the Register Date, 14 August 2019, and extends to any EganStreet Shares that are issued between that date and the end of the Offer Period as a result of the conversion or exercise of rights attached to other securities (including EganStreet Options and EganStreet Performance Rights) convertible into EganStreet Shares.
- (d) Subject to clause A8 below, you may only accept the Offer for all of your EganStreet Shares.
- (e) By accepting the Offer, you undertake to transfer to Silver Lake not only the EganStreet Shares to which the Offer relates, but also all Rights attached to those EganStreet Shares (see clause A5 below).
- (f) An Offer in this form and bearing the same date is being made to each person registered as the holder of EganStreet Shares as at 7.00pm (Sydney time) on the Register Date.
- (g) If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not receive Silver Lake Shares. Instead, if you accept the Offer, you will receive a cash amount determined in accordance with clause A5(f).

A2. OFFER CONSIDERATION

- (a) Subject to the terms of this Offer, the consideration offered is 0.27 Silver Lake Shares for every one (1) EganStreet Share.
- (b) However, in accordance with clause A5 the amount of consideration you receive directly from Silver Lake may be reduced by the amount or value of any Rights attaching to EganStreet Shares, which you (or any previous holder of your EganStreet Shares) receive, including any dividend declared by EganStreet.
- (c) If the number of EganStreet Shares held by you means that your aggregate entitlement to Silver Lake Shares under the Offer is not a whole number, then any fractional entitlement to Silver Lake Shares will be rounded down to the nearest whole number.
- (d) If Silver Lake reasonably believes that any parcel of EganStreet Shares has or have been created or manipulated to take account of the rounding provisions in Appendix A, clause A2(c), then any fractional entitlement to an Silver Lake Share arising in relation to that parcel, or those parcels, will be rounded down so that the entitlement to Silver Lake Shares arising in relation to each parcel consists of the nearest whole number of Silver Lake Shares only and the fractional entitlement will be disregarded.
- (e) The Silver Lake Shares offered as consideration will be issued fully paid and will rank equally with existing Silver Lake Shares from the date of issue.

- (f) An application will be made within seven (7) days after the start of the Bid Period to the ASX for admission to quotation of the Silver Lake Shares to be issued as consideration under this Offer.

A3. OFFER PERIOD

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the Date of the Offer, being [●] August 2019, and ending at 7.00pm (Sydney time) on the later of:
 - (1) [●] September 2019; or
 - (2) any date to which the period of the Offer is extended in accordance with the Corporations Act.
- (b) Silver Lake reserves the right, exercisable in its sole discretion, to extend the Offer Period in accordance with the Corporations Act.
- (c) If, within the last 7 days of the Offer Period, either of the following events occurs:
 - (1) the Offer is varied to improve the consideration offered; or
 - (2) Silver Lake's voting power in EganStreet increases to more than 50%,then the Offer Period will automatically be extended so that it ends 14 days after the relevant events in accordance with section 624(2) of the Corporations Act.

A4. HOW TO ACCEPT THE OFFER

- (a) Acceptance Form timing

Acceptances must be received prior to the close of the Offer Period at 7.00pm (Sydney time) on [●] September 2019, unless extended (and in the case of any acceptance in respect of a CHES Holding lodged at the addresses listed below, in sufficient time so that Silver Lake may effect an acceptance before the close of the Offer Period).

- (b) Acceptance procedure for EganStreet Shareholders

The acceptance procedure will depend on whether your EganStreet Shares are held in a CHES Holding or an Issuer Sponsored Holding. If your EganStreet Shares are in an Issuer Sponsored Holding, you will have been sent a personalised Issuer Acceptance Form which will show a securityholder reference number (SRN) beginning with "I". If they are in a CHES Holding, you will have been sent a personalised CHES Acceptance Form showing a holder identification number (HIN) beginning with "X". Your Acceptance Form (sent to you with the Offer) will also have specific details of your holding printed on it. The personalised Acceptance Form sent to you will be the acceptance form to use in relation to your EganStreet Shares.

- (1) If you hold your EganStreet Shares in a CHES Holding, you must comply with the ASX Settlement Operating Rules.

If you hold your EganStreet Shares in a CHES Holding to accept the Offer you must:

- (A) instruct your Controlling Participant (usually your Broker) to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for the Offer to be accepted before the end of the Offer Period; or
- (B) complete and sign the CHES Acceptance Form (in accordance with the instructions on it) and send the completed CHES Acceptance Form (together with all other documents required by the instructions on the Acceptance Form or the terms of the Offer) directly to your Controlling Participant (usually your Broker) in sufficient time for the Offer to be accepted before the end of the Offer Period with instructions to initiate acceptance of the

Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating before the end of the Offer Period; or

- (C) complete and sign the CHES Acceptance Form (in accordance with the instructions on it) and lodge it by returning it (together with all other documents required by the instructions on the Acceptance Form or the terms of the Offer) to an address as indicated under Appendix A, clause A4(b)(4) below so that your acceptance is received before 7.00pm (Sydney time) on the last day of the Offer Period to authorise Silver Lake to initiate, or alternatively to instruct your Controlling Participant (usually your Broker) to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules.
- (2) If you are a Broker or a Controlling Participant, to accept the Offer you must initiate acceptance of the Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for the Offer to be accepted before the end of the Offer Period.
- (3) If you hold your EganStreet Shares in an Issuer Sponsored Holding
If your EganStreet Shares are in an Issuer Sponsored Holding, then to accept the Offer you must:
 - (A) complete and sign the Issuer Acceptance Form in accordance with the instructions on it; and
 - (B) lodge the Acceptance Form by returning it to the address as indicated under clause A4(b)(4) below (together with all other documents required by the instructions on the Acceptance Form or the terms of the Offer) so that your acceptance is received before the end of the Offer Period.
- (4) If some of your EganStreet Shares are held in a number of forms
If some of your EganStreet Shares are in different holdings, your acceptance of the Offer will require action under clauses A4(b)(1) to A4(b)(3) in relation to the separate portions of your EganStreet Shares.

The address for completed Acceptance Forms is as follows.

By post:

Silver Lake Resources Limited

C/- Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

A reply paid envelope is enclosed for your convenience.

The transmission of the Acceptance Form and other documents is at your own risk.

(c) Acceptance Form

The Acceptance Form which accompanies the Offer forms part of the Offer. Subject to Appendix A, clause A4(e), the requirements on the Acceptance Form must be observed in accepting the Offer in respect to your EganStreet Shares.

(d) Power of attorney, deceased estate

When accepting the Offer, you should also forward for inspection:

- (1) if the Acceptance Form is executed by an attorney, a certified copy of the power of attorney; and

- (2) if the Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased EganStreet Shareholder, a certified copy of the relevant grant of probate or letters of administration.
- (e) Power of attorney – no notice of revocation

If the Acceptance Form is signed under power of attorney, the attorney will be taken to have declared that the attorney has no notice of revocation of the power and is empowered to delegate powers under the power of attorney (including as contemplated by Appendix A, clause A7(b)).

- (f) When Acceptance is complete

Acceptance of the Offer will not be complete until the completed Acceptance Form has been received at the address set out in clause A4(b)(4) above and the requirements of this Appendix A have been met, provided that:

- (1) Silver Lake may in its sole discretion waive any or all of those requirements at any time;
- (2) where such requirements have been complied with in respect of some but not all of your EganStreet Shares, Silver Lake may, in its sole discretion, deem your acceptance of the Offer complete in respect of those EganStreet Shares for which the requirements have been complied with but not in respect of the remainder; and
- (3) Silver Lake will provide the consideration to you in accordance with clause A5 below, in respect of any part of an acceptance determined by Silver Lake to be valid.

A5. PAYMENT OF OFFER CONSIDERATION

- (a) Provision of Offer Consideration

The obligation of Silver Lake to allot and issue any Silver Lake Shares to which you are entitled under this Offer will be satisfied:

- (1) by entering your name on the register of members of Silver Lake; and
- (2) if your name is entered onto the Issuer Sponsored Subregister of Silver Lake, by Silver Lake within three (3) business days after your name is entered in the register of members of Silver Lake, despatching or procuring the despatch to you, by prepaid post to your address as shown on the Acceptance Form or the register of members of EganStreet last notified to Silver Lake, a statement for a new holding on the Silver Lake subregister in accordance with ASX Listing Rule 8.5.

- (b) When Offer Consideration is paid

- (1) Subject to clauses A5(c) and A5(f) below and the Corporations Act, if the contract resulting from your acceptance of the Offer is or becomes unconditional, Silver Lake will provide the Offer Consideration to which you are entitled on acceptance of the Offer on or before the earlier of:
 - (A) one month after the date the Offer is validly accepted by you or, if the Offer is subject to a defeating Condition when you validly accept this Offer, within one month after the Offer becomes unconditional; and
 - (B) 21 days after the end of the Offer Period.

Subject to the Corporations Act and the Offer becoming Unconditional, Silver Lake will use reasonable endeavours to provide the Offer Consideration to you within 7 days of the earlier of the above events in sub-clauses A(b)(1)(A) and A(b)(1)(B) above.

- (2) Under no circumstances will interest be paid on the Offer Consideration to which you are entitled under the Offer, regardless of any delay in providing the Offer Consideration or any extension of the Offer.
- (c) Where additional documents are required
- Where the Acceptance Form requires an additional document to be given with your acceptance (such as a certified copy of a power of attorney, grant of probate or letters of administration):
- (1) if the documents are given with your acceptance, Silver Lake will provide the Offer Consideration in accordance with clause A5(b);
 - (2) if the documents are given after your acceptance, Silver Lake will provide the Offer Consideration within three (3) Business Days after those documents are given.
- If you do not provide Silver Lake with the required additional documents within one month after the end of the Offer Period, Silver Lake may, in its sole discretion, rescind the contract resulting from your acceptance of the Offer.
- (d) Where Silver Lake is entitled to any Rights
- If Silver Lake becomes entitled to any Rights as a result of your acceptance of the Offer, it may require you to provide all documents necessary to vest those Rights in Silver Lake, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Silver Lake, or if you have received the benefit of those Rights, Silver Lake may deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Silver Lake) of those Rights, in accordance with clause A5(e).
- (e) Rights generally
- If:
- (1) you have (or any previous holder of your EganStreet Shares has) received the benefit of any Rights (whether in respect of non-cash benefits or otherwise);
 - (2) you are (or any previous holder of your EganStreet Shares is) entitled to receive the benefit of any Rights under the terms that provide for or otherwise apply to those Rights (for example, if the Right is to receive a dividend, if you are (or any previous holder of your EganStreet Shares is) the registered holder of the share at the specified time for determining those entitled to the dividend); or
 - (3) your EganStreet Shares were issued (or otherwise came into existence) on or after the Register Date in respect of any Rights to EganStreet Shareholders,
- then:
- (4) in the case of Rights to non-cash benefits, Silver Lake may deduct the value (as reasonably assessed by Silver Lake) of such Rights from any consideration otherwise payable to you; or
 - (5) in the case of Rights to cash benefits, Silver Lake may deduct the amount of such Rights from any consideration otherwise payable to you.
- If Silver Lake does not, or cannot, make such a deduction, you must pay such value or amount to Silver Lake.
- (f) Foreign Shareholders and Small Parcel Shareholders
- (1) If you have accepted the Offer and you are a Foreign Shareholder or a Small Parcel Shareholder, you will receive your share of the proceeds from the sale of Silver Lake Shares in accordance with this clause A5(f).

- (2) If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive Silver Lake Shares as consideration for your EganStreet Shares as a result of accepting this Offer, and Silver Lake will:
- (A) arrange for the issue to a Nominee of the number of Silver Lake Shares to which you and other Foreign Shareholders and Small Parcel Shareholders would have been entitled but for this clause A5(f) and the equivalent provision in each other offer under the Offer on or before the date by which consideration would otherwise have been paid pursuant to this clause A5;
 - (B) cause the Silver Lake Shares so issued to be offered for sale by the Nominee on ASX as soon as practicable and otherwise in the manner, at the price and on such other terms and conditions as are determined by the Nominee, including being sold in one or more tranches, if so determined (at the risk of the Foreign Shareholders and Small Parcel Shareholders); and
 - (C) cause the Nominee to pay, or procure payment, to you the amount ascertained in accordance with the following formula:

$$P \times \frac{N}{T}$$

where:

“P” is the total amount which is received by the Nominee from the sale of all Silver Lake Shares (or the relevant tranche) under this clause A5(f) and the equivalent provision in each other offer under the Offer, less all brokerage and sale expenses;

“N” is the number of Silver Lake Shares which would, but for this clause A5(f), otherwise have been issued to you under this Offer; and

“T” is the total number of Silver Lake Shares allotted to the Nominee under this clause A5(f) (or the relevant tranche) and the equivalent provision in each other offer under the Offer.

- (3) You will receive your share of the proceeds of the sale of Silver Lake Shares by the Nominee in Australian currency.
- (4) Payment will be made by cheque posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) at the address shown in the register of members of EganStreet last notified to Silver Lake or provided on your Acceptance Form as soon as practicable and in any event within the period required by the Corporations Act.
- (5) Under no circumstances will interest be paid on your share of the proceeds of the sale of Silver Lake Shares by the Nominee, regardless of any delay in remitting these proceeds to you.
- (6) As the market price of Silver Lake Shares will be subject to change from time to time, the sale price of the Silver Lake Shares sold by the Nominee and the proceeds of those sales cannot be guaranteed. Neither Silver Lake nor the Nominee gives any assurance as to the price that will be achieved for the sale of the Silver Lake Shares by the Nominee.
- (7) The Nominee will be appointed by, and will provide the Nominee services to, Silver Lake. In acting as Nominee, the Nominee will not be acting as agent or sub-agent of any Foreign Shareholder or Small Parcel Shareholder, does not have duties or obligations (fiduciary or otherwise) to any Foreign Shareholder or Small Parcel Shareholder and does not underwrite the sale of the Silver Lake Shares.

- (8) If Silver Lake determines, acting reasonably and in good faith, that it must pay an amount to the Commissioner of Taxation (**Commissioner**) pursuant to Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the EganStreet Shares from an EganStreet Shareholder, Silver Lake will, for any such EganStreet Shareholder:
- (A) determine the amount to be paid to the Commissioner (**Payment Amount**);
 - (B) procure that Silver Lake remits the Payment Amount to the Commissioner within the time required under the TAA; and
 - (C) reduce the amount of consideration payable by Silver Lake to that EganStreet Shareholder by the Payment Amount for the purposes of this Offer.

For the avoidance of any doubt, where the conditions in this sub-clause are satisfied, Silver Lake will, for the purposes of this Offer, be deemed to have satisfied its obligations to pay the consideration to a EganStreet Shareholder if the amount paid to the EganStreet Shareholder is the amount of the consideration that would have otherwise been payable to the EganStreet Shareholder pursuant to the Offer, less the Payment Amount for that EganStreet Shareholder. A relevant non-resident EganStreet Shareholder may provide a declaration to Silver Lake that the EganStreet Shares they are disposing of are not subject to the above remission requirement (however and notwithstanding, Silver Lake will be deemed to have satisfied its obligations if remission occurs as above).

(g) Clearances for offshore residents

If, at the time of acceptance of the Offer, any authorities or clearances of the Reserve Bank of Australia (whether under the Banking (Foreign Exchange) Regulations or otherwise), or of the Australian Taxation Office, is required for you to receive any consideration under the Offer, or you are resident in or of a place to which, or you are a person to whom, any other law of Australia would make it unlawful for Silver Lake to provide the consideration payable for your EganStreet Shares, acceptance of the Offer will not create or transfer to you any right (contractual or contingent) to receive the consideration specified in the Offer unless and until all requisite authorities or clearances have been obtained.

A6. CONDITIONS OF THE OFFER

The Offer is subject to the following Conditions:

(a) Minimum Acceptance Condition

At or before the end of the Offer Period, Silver Lake and its Related Bodies Corporate have Relevant Interests in at least 90% of all the EganStreet Shares on issue.

(b) No action by regulatory authority materially adversely affecting the Offer

Between the Announcement Date and the end of the Offer Period:

- (1) there is not in effect any preliminary or final decision, order or decree issued by a Public Authority;
- (2) no action or investigation is commenced by any Public Authority; and
- (3) no application is made to any Public Authority (other than by Silver Lake or any of its Related Bodies Corporate),

(other than an application to, or a decision or order of, ASIC or the Takeovers Panel under, or relating to a breach of Chapter 6A, 6B or 6C of the Corporations Act or relating to unacceptable

circumstances within the meaning of section 657A of the Corporations Act in consequence of, or in connection with, the Offer) which restrains, impedes or prohibits (or if granted could restrain, impede or prohibit), or otherwise materially adversely impacts upon, the making of the Offer, the acquisition of EganStreet Shares under the Offer or any transaction contemplated by the Bidder's Statement, the Offer or the rights of Silver Lake in respect of EganStreet, or requires the divestiture by any entity within the Silver Lake Group of any EganStreet Shares, or requires the divestiture of any assets of the Silver Lake Group or EganStreet Group.

(c) No material adverse change

Between the Announcement Date and the end of the Offer Period, no act, omission, event, change, matter, circumstance or condition occurs, is announced or becomes known to Silver Lake (whether or not it becomes public) where (whether individually or aggregated with other acts, omissions, events, changes, matters, circumstances) has or has resulted in, or could reasonably be expected to have or result in a material adverse effect on:

- (1) the assets, financial or trading position, profitability or prospects of the EganStreet Group, taken as a whole; or
- (2) the status or terms of any material approvals, licences, tenements or permits issued by any Public Authority to any entity within the EganStreet Group, other than changes, events or conditions:
 - (3) required or permitted by the Bid Implementation Deed, the Offer or the transactions contemplated by them;
 - (4) fully and Fairly Disclosed by EganStreet in an ASX announcement or otherwise to Silver Lake in writing prior to execution of the Bid Implementation Deed;
 - (5) which do not relate specifically to the EganStreet Group and which are beyond the control of EganStreet and which arise from:
 - (A) changes in commodity prices, exchange rates or interest rates; or
 - (B) general economic, political or business conditions; or
 - (C) changes in laws, regulations and standards (including accounting standards); or
 - (6) which took place with the prior written consent of Silver Lake.

(d) No material acquisitions, disposals or new commitments

Between the Announcement Date and the end of the Offer Period, neither EganStreet nor any Subsidiary of EganStreet, other than with the prior written consent of Silver Lake:

- (1) acquires, offers to acquire or agrees to acquire one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount in aggregate greater than the Specified Amount;
- (2) disposes of, offers to dispose of or agrees to dispose of one or more entities, businesses or assets (or any interest in one or more entities, businesses or assets) for an amount, or in respect of which the book value is, in aggregate, greater than the Specified Amount;
- (3) enters into, agrees to enter into or announces any agreement to enter into any contract, commitment or arrangement, joint venture or partnership that:
 - (A) requires payments, expenditure or the foregoing of revenue by EganStreet and/or any of its Subsidiaries of an amount in excess of A\$150,000 on any individual basis or which is, in aggregate, greater than the Specified Amount; or

- (B) is material in the context of the EganStreet Group and is not in the ordinary course of business;
- (4) enters into or agrees to enter into, terminates or agrees to terminate a contract, commitment or arrangement for the provision of services or a licence to a third party that is a new or existing customer that results in EganStreet and/or any of its Subsidiaries incurring costs greater than A\$150,000 on an individual basis or is, in aggregate, greater than the Specified Amount for the entire term of such contract, commitment or arrangement;
- (5) provides or agrees to provide financial accommodation or a guarantee, other than to entities within the EganStreet Group for any amount, or receives financial accommodation other than from entities within the EganStreet Group for any amount;
- (6) enters into, amends, or agrees to enter into or amend any material contract, commitment or other arrangement with a related party (as defined in section 228 of the Corporations Act) of EganStreet;
- (7) incurs, agrees to incur or bring forward the time for incurring, or granting to a third party a right the exercise of which would involve EganStreet or a Subsidiary incurring or agreeing to incur an amount of capital expenditure in excess of the Specified Amount, other than capital expenditure that has been announced by EganStreet to ASX prior to the Announcement Date;
- (8) gives or agrees to give any Encumbrance over any of its assets (or an interest in any of its assets), other than liens in the ordinary and usual course of business;
- (9) does any of the following in respect of the Tenements:
- (A) enters into, agrees to enter into or announces any agreement to enter into any contract, commitment or arrangement (including without limitation any ore sale, ore processing, joint venture, partnership, farm-in, royalty, marketing, or off-take agreement) in relation to any of the Tenements;
- (B) relinquishes, sells or disposes of any interest or creates any Encumbrance over any of the Tenements;
- (C) takes any action or omits to take any action that results in or may reasonably be expected to result in a breach of the terms any of the Tenements or any environmental authority relating to any of the Tenements; or
- (D) takes any action or omits to take any action that results in or may reasonably be expected to result in the surrender of any of the Tenements or any environmental authority relating to any of the Tenements; or
- (10) without limiting sub-paragraphs (d)(1) to (d)(9) above:
- (A) enters into, offers to enter into, agrees to enter into or announces any agreement for any transaction; or
- (B) is otherwise affected by any transaction or proposal,
- (C) under which any third party would acquire any legal or economic interest in, or there would be any material diminution in, the rights granted under any tenement held by any entity within the EganStreet Group,
- (11) announces an intention to do any of the matters referred to in sub-paragraphs (d)(1) to (d)(9) above,
- other than:
- (12) where required or permitted by the Bid Implementation Deed; or

(13) as fully and Fairly Disclosed by EganStreet in an ASX announcement or to Silver Lake in writing prior to execution of the Bid Implementation Deed.

(e) No change of control rights

Between the Announcement Date and the end of the Offer Period, no person has or will have any right as a result of Silver Lake making the Offer or acquiring EganStreet Shares under the Offer, to:

- (1) acquire, or require the disposal of, or require any entity within the EganStreet Group to offer to dispose of, any material asset of any entity within the EganStreet Group;
- (2) terminate, or vary the terms or performance of, any material agreement with any entity within the EganStreet Group;
- (3) terminate, or vary the terms of any material approvals, licenses or permits issued by any Public Authority to any entity within the EganStreet Group; or
- (4) require repayment of any moneys borrowed by or any other indebtedness of any entity within the EganStreet Group earlier than its stated maturity date, or withdraw or inhibit the ability of any entity within the EganStreet Group to borrow moneys or incur indebtedness;
- (5) other than a right in respect of which a written, enforceable, irrevocable and unconditional waiver has been obtained and disclosed to the ASX or as fully and Fairly Disclosed by EganStreet.

(f) No material breach of the Bid Implementation Deed by EganStreet

Between the Announcement Date and the end of the Offer Period, Silver Lake does not become entitled to terminate the Bid Implementation Deed as a result of any material breach of the Bid Implementation Deed or of the representations and warranties given by EganStreet under the Bid Implementation Deed becoming untrue or incorrect in any material respect.

(g) No Prescribed Occurrences

During the period from the date on which the Bidder's Statement is given to EganStreet and the end of the Offer Period (each inclusive), none of the following events occur:

- (1) EganStreet converts all or any of its shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (2) EganStreet or a Subsidiary of EganStreet resolves to reduce its share capital in any way;
- (3) EganStreet or a Subsidiary of EganStreet enters into a buy-back agreement or resolves to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (4) EganStreet or a Subsidiary of EganStreet issues shares (other than as a result of the exercise of EganStreet Options or EganStreet Performance Rights) or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (5) EganStreet or a Subsidiary of EganStreet issues, or agrees to issue, convertible notes;
- (6) EganStreet or a Subsidiary of EganStreet disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (7) EganStreet or a Subsidiary of EganStreet charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (8) EganStreet or a Subsidiary of EganStreet resolves to be wound up;
- (9) a liquidator or provisional liquidator of EganStreet or of a Subsidiary of EganStreet is appointed;
- (10) a court makes an order for the winding up of EganStreet or of a Subsidiary of EganStreet;

- (11) an administrator of EganStreet or of a Subsidiary of EganStreet is appointed under section 436A, 436B or 436C of the Corporations Act;
 - (12) EganStreet or a Subsidiary of EganStreet executes a deed of company arrangement; or
 - (13) a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of EganStreet or a Subsidiary of EganStreet, provided that a Prescribed Occurrence will not include any matter:
 - (14) expressly permitted by the Bid Implementation Deed; or
 - (15) the undertaking of which Silver Lake has previously approved in writing.
- (h) No Financing Arrangement or Alternate Processing Arrangement
- Between the Announcement Date and the end of the Offer Period (each inclusive), neither EganStreet nor any Subsidiary of EganStreet, other than with the prior written consent of Silver Lake:
- (1) gives or agrees to give any Encumbrance over any of its assets (or an interest in any of its assets) or enters into financing arrangements of any sort, whether in the ordinary and usual course or otherwise, in support of or for an amount equal to or more than A\$1,000,000; or
 - (2) enters into or agrees to enter into any transaction between EganStreet and a Third Party for an alternate processing option for Rothsay, including leasing or toll treating, which is substantially different than the processing option set out in EganStreet’s disclosure to the ASX prior to the execution date of the Bid Implementation Deed including the “updated definitive feasibility study” outcomes announced on 12 February 2019.
- (i) Third Party Consents
- Prior to the end of the Offer Period, all Third Party Consents are obtained (and are not withdrawn or revoked) in respect of implementation of the Offer.
- (j) Option Offer
- Prior to the date which is seven (7) days before end of the Offer Period each EganStreet Optionholder accepts the Options Offer for all of their EganStreet Options.

A7. EFFECT OF ACCEPTANCE

(a) Revocation of acceptance

Once you have accepted the Offer, you will be unable to revoke your acceptance. The contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of the Offer (other than in limited circumstances where the Offer Period is extended for more than one month) or otherwise dispose of your EganStreet Shares.

(b) Your agreement

By signing and returning the Acceptance Form, or otherwise accepting the Offer in accordance with Appendix A, clause A4, you will be deemed to have:

- (1) irrevocably authorised Silver Lake to alter the Acceptance Form on your behalf by:
 - (A) inserting correct details of your EganStreet Shares (including details of a parcel of EganStreet Shares required by clause A8(d));
 - (B) filling in any blanks remaining in the Acceptance Form; and
 - (C) rectifying any errors in, and omissions from, the Acceptance Form,

as may be necessary to make the Acceptance Form a valid acceptance of the Offer and to enable registration of the transfer of your EganStreet Shares to Silver Lake, and if any of your EganStreet Shares are held in a CHESS Holding, irrevocably authorised Silver Lake:

- (D) to instruct your Controlling Participant to initiate acceptance of the Offer in respect of such EganStreet Shares in accordance with the ASX Settlement Operating Rules; and
 - (E) to give any other instructions in relation to those EganStreet Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant;
- (2) agreed to fully indemnify Silver Lake in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your HIN or SRN or in consequence of the transfer of your EganStreet Shares to Silver Lake being registered by EganStreet without production of your HIN or SRN;
 - (3) irrevocably accepted the Offer (and any variation of it) in respect of all of your EganStreet Shares (together with all Rights attaching to them) despite any difference between that number and the number of EganStreet Shares shown in the Acceptance Form;
 - (4) agreed to the Offer Terms and, agreed to the transfer (or consented to the transfer in accordance with the ASX Settlement Operating Rules) subject to the Conditions being fulfilled or waived, to Silver Lake of all of your EganStreet Shares;
 - (5) represented and warranted to Silver Lake that you are not a Foreign Shareholder, unless otherwise indicated in the register of members of EganStreet or on the Acceptance Form, and acknowledged and agreed that if you are a Foreign Shareholder, or if Silver Lake believes that you are a Foreign Shareholder, that Silver Lake will arrange for any Silver Lake Shares otherwise issuable to you to be issued and sold, and for the net proceeds to be remitted to you, as described in Appendix A, clause A5(f);
 - (6) acknowledged and agreed that if you are a Small Parcel Shareholder, or if Silver Lake believes that you are a Small Parcel Shareholder, that Silver Lake will arrange for any Silver Lake Shares otherwise issuable to you to be issued and sold, and for the net proceeds to be remitted to you, as described in Appendix A, clause A5(f);
 - (7) represented and warranted to Silver Lake, as a condition of the contract resulting from your acceptance of the Offer, that at the time of acceptance and at the time of transfer to Silver Lake:
 - (A) you have paid to EganStreet all amounts which are due for payment in respect of your EganStreet Shares; and
 - (B) all of your EganStreet Shares are fully paid and Silver Lake will acquire good title to them and full beneficial ownership of them free from all Encumbrances; and
 - (C) you have full power and capacity to sell and transfer the legal and beneficial ownership of those EganStreet Shares to Silver Lake; and
 - (8) with effect from acceptance of the Offer irrevocably appointed Silver Lake and each of its directors from time to time severally as your agent and true and lawful attorney, with power to do all things which you could lawfully do concerning your EganStreet Shares or in exercise of any right or power derived from the holding of your EganStreet Shares, including on your behalf to:
 - (A) attend and vote in respect of your EganStreet Shares at any meetings of EganStreet;
 - (B) appoint a proxy or proxies to attend and vote on your behalf in respect of your EganStreet Shares at any meetings of EganStreet;

- (C) requisition or join with other EganStreet Shareholders in requisitioning or convening (or both) meetings of EganStreet;
 - (D) demand a poll for any vote to be taken at any meeting of EganStreet;
 - (E) propose or second any resolution to be considered at any meeting of EganStreet;
 - (F) at Silver Lake's discretion, issue or pay EganStreet, or any other party, all or part of any consideration or amounts contemplated by Appendix A, clause A5(a) or A5(f);
 - (G) receive from EganStreet or any other party, and retain, any share certificates which were held by EganStreet, or any other party, whether pursuant to the terms of any employee incentive scheme or otherwise;
 - (H) sign all documents (including an instrument appointing one of Silver Lake's directors as a proxy in respect of any or all of your EganStreet Shares and any application to EganStreet for a replacement certificate in respect of any share certificate which has been lost or destroyed) and resolutions relating to your EganStreet Shares, and generally to exercise all powers and rights which you may have in respect of your EganStreet Shares and perform such actions as may be appropriate in order to vest good title in your EganStreet Shares in Silver Lake; and
 - (I) do all things incidental or ancillary to the foregoing,
and to have agreed that, in exercising such powers, any such director is entitled to act in Silver Lake's interests as the beneficial owner and intended registered holder of your EganStreet Shares and that the appointment is irrevocable and terminates upon registration of the transfer to Silver Lake of your EganStreet Shares; and
- (9) agreed not to vote in person in respect of your EganStreet Shares at any general meeting of EganStreet or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on Silver Lake and the directors of Silver Lake by clause A7(b); and
- (10) irrevocably authorised Silver Lake to direct EganStreet to pay to Silver Lake, or to account to Silver Lake for, all Rights in respect of your EganStreet Shares, subject to Silver Lake accounting to you for any such Rights received by Silver Lake if the Offer is withdrawn or any contract resulting from your acceptance of the Offer is rescinded or rendered void; and
- (11) irrevocably authorised Silver Lake (and its nominees) to notify EganStreet on your behalf that your place of address for the purposes of serving notices upon you in respect of your EganStreet Shares is the address specified by Silver Lake in the notification, and to have directed EganStreet to serve all correspondence, payments or notifications in respect of any Rights and other communications and documents whatsoever in respect of those EganStreet Shares to Silver Lake at that address; and
- (12) if at the time of acceptance of the Offer your EganStreet Shares are in a CHES Holding, irrevocably authorised, with effect from the date that the Offer or any contract resulting from acceptance of the Offer is declared free from all its conditions or those conditions are satisfied, Silver Lake (and its nominees) to cause a message to be transmitted to ASX in accordance with Rule 14.17.1 of the ASX Settlement Operating Rules so as to transfer all of your EganStreet Shares to Silver Lake's Takeover Transferee Holding (in accordance with the ASX Settlement Operating Rules). Silver Lake will be so authorised even though at the time of such transfer it has not paid the consideration due to you under the Offer; and
- (13) authorised Silver Lake to issue to you (and agreed to accept) the Silver Lake Shares you have become entitled to receive under this Offer and to register your name in the Silver Lake register of members in respect of those Silver Lake Shares, and agreed that you will be bound by the constitution of Silver Lake; and

- (14) agreed, subject to the satisfaction or waiver of the Conditions, to authorise Silver Lake to execute all documents, transfers and assurances as may be necessary or desirable to convey your EganStreet Shares and Rights to Silver Lake.
- (c) By accepting the Offer you will be deemed to have agreed to the matters set out in clause A7(b) above, notwithstanding where the Offer has been caused to be accepted in accordance with the ASX Settlement Operating Rules.
- (d) Except in relation to EganStreet Shares in a CHESS Holding, Silver Lake may at any time deem the receipt of a signed Acceptance Form to be a valid acceptance of the Offer even though you omit to include your share certificate(s) (if any) or there is not compliance with any one or more of the other requirements for acceptance but, if Silver Lake does so, Silver Lake is not obliged to make the consideration available to you until all of the requirements for acceptance have been met.
- (e) Continuing representations and warranties
- The representations, warranties, undertakings and authorities referred to in this clause A7 will (unless otherwise stated) remain in force after you receive the consideration for your EganStreet Shares and after Silver Lake becomes registered as holder of them.

A8. ACCEPTANCE BY TRANSFEREES AND NOMINEES

- (a) Who may accept the Offer

During the Offer Period, subject to Appendix A, clause A1(b):

- (1) any person who is able to give good title to a parcel of your EganStreet Shares may accept (if they have not already accepted an offer in the form of the Offer for those EganStreet Shares) as if an offer on terms identical with the Offer has been made to them; and
- (2) any person who holds one or more separate parcels of EganStreet Shares within the meaning of section 653B of the Corporations Act, as trustee, nominee, or otherwise on account of another person or several distinct beneficial owners, may accept as if a separate and distinct offer had been made in relation to:
 - (A) each of those parcels; and
 - (B) any parcel they hold in their own right.

- (b) Holding shares

A person is taken to hold EganStreet Shares if the person is, or is entitled to be registered as, the holder of those EganStreet Shares.

- (c) Holding shares on trust or as a nominee

A person is taken to hold EganStreet Shares on trust for, as nominee for, or on account of, another person if they:

- (1) are entitled to be registered as the holder of particular EganStreet Shares; and
- (2) hold their interest in the EganStreet Shares on trust for, as nominee for, or on account of, that other person.

- (d) Effective acceptance

An acceptance of an offer under clause A8(a)(2) is ineffective unless:

- (1) the person who holds on account of another person gives Silver Lake a notice stating that the EganStreet Shares consist of a separate parcel; and

(2) the acceptance specifies the number of EganStreet Shares in that parcel.

References in the Offer to your EganStreet Shares will be treated as relating to that separate parcel.

(e) Notices of acceptance

A notice under clause A8(d)(1) must be made:

(1) if it relates to EganStreet Shares entered in a CHESS Holding - in an electronic form approved by the ASX Settlement Operating Rules of Part 6.8 of the Corporations Act; or

(2) otherwise - in writing; and

your acceptance specifies the number of EganStreet Shares in the parcel.

(f) Acceptance for two or more parcels

A person may, at the one time, accept for two or more parcels under this clause A8 as if there had been a single offer for a separate parcel consisting of those parcels.

A9. OTHER MATTERS

(a) Nature and benefit of Conditions

The following applies to the Conditions in Appendix A, clause A6 above:

(1) Each of the Conditions is a distinct and separate Condition and shall not merge on completion of any contract arising from acceptance of this Offer.

(2) Each of the Conditions is a condition subsequent. The non-fulfilment of such a Condition subsequent does not, until the end of the Offer Period (or in the case of the Condition in A6(g), until the end of the third Business Day after the end of the Offer Period) prevent a contract to purchase your EganStreet Shares arising from your acceptance of this Offer. However, if at the end of the Offer Period (or in the case of the Condition in A6(g), at the end of the third Business Day after the end of the Offer Period), the Conditions in A6(g) have not been fulfilled and Silver Lake has not declared the Offer (or it has not become) free from those Conditions, all contracts resulting from the acceptance of the Offers and all acceptances that have not resulted in binding contracts, are automatically void.

(3) Subject to the provisions of the Corporations Act, Silver Lake alone is entitled to the benefit of the Conditions contained in A6(g) and any breach or non-fulfilment of any of those Conditions may be relied upon only by Silver Lake, and Silver Lake may waive (generally or in respect of a particular event) the breach or non-fulfilment of that Condition.

(4) Silver Lake may free this Offer, and any contract resulting from its acceptance, from all or any of the Conditions in A6(g), either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to EganStreet and to the ASX declaring this Offer to be free from the relevant Condition or Conditions specified, in accordance with section 650F of the Corporations Act. This notice may be given:

(A) in the case of the Condition in A6(g), not later than three Business Days after the end of the Offer Period; and

(B) in the case of all the other Conditions in Appendix A, clause A6, not less than seven days before the end of the Offer Period.

(b) Notice of Status of Conditions

The date for giving the notice on the status of the Conditions required by section 630(1) of the Corporations Act is the date which is 7 days before the close of the Offer Period (subject to extension in accordance with section 630(2) if the Offer Period is extended).

(c) Quotation

An application will be made within 7 days after the start of the Bid Period to ASX for the granting of official quotation of the Silver Lake Shares to be issued in accordance with the Offer. However, official quotation is not granted automatically on application. Pursuant to the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a condition that permission for official quotation by ASX (as the circumstances require) of the Silver Lake Shares to be issued pursuant to the Offer is granted no later than 7 days after the end of the Bid Period. If this condition is not fulfilled, all contracts resulting from the acceptance of the Offer will be automatically void.

(d) Notices and other communications

Subject to the Corporations Act, a notice or other communication given by Silver Lake to you in connection with the Offer shall be deemed to be duly given if it is in writing and:

- (1) is delivered at your address as recorded on the register of members of EganStreet or the address shown in the Acceptance Form; or
- (2) is sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of those addresses.

(e) Return of documents

If:

- (1) the Offer is withdrawn after your Acceptance Form has been sent to Silver Lake, but before it has been received; or
- (2) for any other reason Silver Lake does not acquire the EganStreet Shares to which your Acceptance Form relates,

you may request Silver Lake by notice in writing to despatch (at your risk) your Acceptance Form together with all other documents forwarded by you, to such address as you nominate. Where such address is inside Australia, the documents will be despatched by pre-paid ordinary post. Where such address is outside Australia, the documents will be despatched by pre-paid airmail.

(f) Foreign laws

The Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept the Offer.

(g) Withdrawal

Silver Lake may withdraw unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

(h) Variation

Silver Lake may vary the Offer in accordance with the Corporations Act.

(i) Governing law

The Offer and any contract resulting from acceptance of it is governed by the law in force in Western Australia.

A10. COSTS AND EXPENSES

All costs and expenses of the preparation, despatch and circulation of the Bidder's Statement and the Offer and all stamp duty payable in respect of a transfer of EganStreet Shares in respect of which Offers are accepted, will be paid by Silver Lake. If you hold your EganStreet Shares through a bank, Broker or nominee which charges transaction fees or service charges in connection with your acceptance of the Offer, you are responsible for (and Silver Lake will not pay) those fees or charges.

APPENDIX B: ANNOUNCEMENTS BY SILVER LAKE

The following table lists announcements made to the ASX by Silver Lake over the period between 23 August 2018 and 14 August 2019.

Date	Headline
23/08/2018	Appendix 3B
23/08/2018	Change of Director's Interest Notice
24/08/2018	Mineral Resource And Ore Reserve Statement
28/08/2018	Change of Share Registry
31/08/2018	Change of Director's Interest Notice
07/09/2018	Change of Director's Interest Notice
14/09/2018	Drilling highlights significant upside at Daisy Complex
18/09/2018	Ceasing to be a substantial holder
24/09/2018	Denver Gold Forum Presentation 2018
04/10/2018	Change in substantial holding
08/10/2018	Becoming a substantial holder
16/10/2018	Macquarie WA Forum - Investor Presentation
22/10/2018	Notice of Annual General Meeting/Proxy Form
22/10/2018	Annual Report to shareholders
22/10/2018	Appendix 4G
22/10/2018	Corporate Governance Statement
23/10/2018	Resignation of Director
23/10/2018	Final Director's Interest Notice
26/10/2018	Quarterly Activities Report
06/11/2018	Appendix 3B
14/11/2018	Silver Lake and Doray to Merge
14/11/2018	Silver Lake and Doray Merger Presentation
14/11/2018	Scheme Implementation Deed
23/11/2018	Withdrawal of Resolution at AGM
23/11/2018	Managing Director's Presentation to AGM
23/11/2018	Chairman's Address to Shareholders
26/11/2018	Results of Meeting
30/11/2018	Managing Director's Presentation to AGM - Addendum
07/12/2018	Thick high grade results at Santa confirm UG mine potential
19/12/2018	Appendix 3B
19/12/2018	Change of Director's Interest Notice

Date	Headline
24/12/2018	DRM: Doray to Sell Andy Well and Gnaweeda Gold Projects
27/12/2018	Change in substantial holding
31/01/2019	Investor Update Presentation - January 2019
31/01/2019	Quarterly Activities Report
15/02/2019	DRM: Results of First Court Hearing For Merger With SLR
18/02/2019	DRM: Scheme Booklet
18/02/2019	DRM: Scheme Booklet Registered with ASIC
21/02/2019	DRM: Dispatch of Scheme Booklet
22/02/2019	Appendix 3B
27/02/2019	Pause in trading
27/02/2019	Appendix 4D and Interim Financial Report
27/02/2019	Half year Financial Results Summary
08/03/2019	S&P DJI Announces March 2019 Quarterly Rebalance
13/03/2019	Update on the Proposed Merger with Silver Lake
28/03/2019	DRM: Merger Update - Outcome of Second Court Hearing
29/03/2019	DRM: Schemes Become Effective
01/04/2019	Becoming a substantial holder
05/04/2019	DRM: Implementation of Schemes
05/04/2019	Completion of merger with Doray Minerals
05/04/2019	Initial Director's Interest Notice
05/04/2019	Initial Director's Interest Notice
05/04/2019	Appendix 3B
08/04/2019	Change in substantial holding
09/04/2019	Change in substantial holding
10/04/2019	Silver Lake invests in Sarama Resources
10/04/2019	Ceasing to be a substantial holder
11/04/2019	AYR:Horse Well J/V Resources Increased by 300% to 237,800ozs
11/04/2019	Ceasing to be a substantial holder
17/04/2019	ZEN: SLR sign new PPA for Daisy Milano Project
30/04/2019	Quarterly Activities Report
18/06/2019	Spectacular gold intersections at Tank South
20/06/2019	Response to ASX Aware Query
27/06/2019	High-grade drill results south of Deflector mine
27/06/2019	Becoming a substantial holder
05/07/2019	Appendix 3B

Date	Headline
08/07/2019	ENR: Placement and Silver Lake Resources Investment
08/07/2019	Appendix 3B
10/07/2019	Becoming a substantial holder for ENR
15/07/2019	Director Resignation
29/07/2019	Appendix 3B
30/07/2019	Silver Lake Recommended Takeover Offer for Egan
30/07/2019	Quarterly Activities Report
30/07/2019	Becoming a substantial holder for EGA
30/07/2019	LSX: Takeover Offer for EganStreet by Silver Lake Resources
01/08/2019	Appendix 3B
08/08/2019	Becoming a substantial holder from MUFG



Silver Lake Resources Limited

ACN 108 779 782

EGATKO
MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Return your Form:



To Your Controlling Participant:
Return this form directly to your
stockbroker



By Mail:
Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:



Phone:
(within Australia) 1300 383 849
(outside Australia) +61 3 9415 4179

Takeover Acceptance Form

CHES

Your form must be received with sufficient time to allow processing prior to the end of the Offer Period.

This form and the Bidder's Statement are important documents that require your immediate attention. This form relates to an offer ("**Offer**") by Silver Lake Resources Limited ("**Silver Lake**") (ACN 108 779 782) to acquire all of your EganStreet Shares in EganStreet Resources Limited ("**EganStreet**") (ACN 144 766 236) the terms of which are set out in the Bidder's Statement from Silver Lake dated 14 August 2019 as replaced or supplemented (the "**Bidder's Statement**"). Capitalised terms used in this form have the same meaning as in the Bidder's Statement, unless otherwise defined.

If you are in doubt about how to deal with this Offer, please contact your financial or other professional advisor.

Note this form can only be used in relation to the shareholding represented by the details printed above and overleaf.

Step 1: Registration Name & Offer Details

Your consideration will be issued to the name(s) as they appear on the latest copy of the EganStreet register, as provided to Silver Lake. The current address recorded by Silver Lake is printed above and overleaf. If you have recently bought or sold Egan Street EganStreet Shares, your holding may differ from that shown. If you have already sold all your EganStreet Shares in EganStreet, do not complete or return this form.

Step 2: Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your EganStreet Shares.

As your EganStreet Shares are in a CHES holding, you may contact your Controlling Participant directly (normally your stockbroker) with instructions to accept the Offer. If you do this, your Controlling Participant will provide you with details as to what they require in order to accept the Offer on your behalf. If you want Silver Lake to contact your Controlling Participant on your behalf, sign and return this form to the address above so that it is received in sufficient time to allow your instruction to be acted upon by the close of the Offer Period. This will authorise Silver Lake and Computershare Investor Services Pty Limited ("**CIS**") to request your Controlling Participant to initiate acceptance of the Offer on your behalf.

By signing this form, you warrant to Silver Lake (and authorise Silver Lake to warrant on your behalf) that you have full legal and beneficial ownership of the EganStreet Shares to which this form relates and that Silver Lake will acquire them free from all mortgages, charges, liens, encumbrances (whether legal or equitable), restrictions on transfer of any kind and free from any third party rights.

You should allow sufficient time for your Controlling Participant or Silver Lake to initiate the acceptance of Silver Lake's Offer on your behalf. Neither Silver Lake or CIS will be responsible for any delays incurred by the process of requesting your Controlling Participant to accept the Offer.

Step 3: Non-Withholding Declaration by non-Australian residents

Please refer to Section 10.3(c) of the Bidder's Statement for further details before completing Step 3 overleaf.

If you mark the box in Step 3, Silver Lake will NOT withhold 12.5% of the capital proceeds paid for the acquisition of EganStreet Shares.

Step 4: Signing Instructions

Individual: Where the holding is in one name, the shareholder must sign.

Joint Holding: Where the holding is in more than one name, all of the shareholders must sign.

Power of Attorney: Where signing as Power of Attorney ("**POA**"), you must attach an original certified copy of the POA to this form.

Companies: Where the holding is in the name of a company, this form must be signed in accordance with the Corporations Act, either as:

- a Sole Director and Sole Company Secretary **OR** a Sole Director (if no Company Secretary exists), **OR**
- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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IND

Takeover Acceptance Form

For your security keep your SRN/
HIN confidential.

STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Controlling Participant Identifier:

Offer Details: Shareholding as at Register Date:

2000

You are accepting the Offer for ALL the EganStreet Shares as recorded by Silver Lake as being held by you at the date your acceptance is processed (even if different to the number stated above).

STEP 2 Accept the Offer

Only sign and return this form if you wish to accept the Offer for ALL of your EganStreet Shares. The consideration applicable is set out in the terms of Silver Lake's Offer.

If you are a Foreign Shareholder or a Small Parcel Shareholder, you will not be entitled to receive Silver Lake Shares and will be provided with the net proceeds of sale of the Silver Lake Shares, to which you would otherwise have become entitled to receive as a consequence of accepting the Offer (see Sections 11.18, 11.19 and Appendix A, clause A5(f) of the Bidder's Statement).

STEP 3 Non-Withholding Declaration by non-Australian residents

Please refer to Section 10.3(c) of the Bidder's Statement for further details before completing the below section.

By marking this box, I/we declare that:

- I/we am/are an Australian tax resident(s) (**tax residency declaration**); or
- I/we, together with my/our tax associates, have not held an interest of 10% or more in EganStreet at the Register Date or for a 12-month period during the last two years preceding the Register Date (**interest declaration**).

For EganStreet Shares held in a CHESS holding, I/we authorise Silver Lake to inform my/our Controlling Participant on my/our behalf to select CHESS takeover consideration code **EGANWD** to reflect the above Non-Withholding Declaration.

If I/we have not marked the box, I/we authorise Silver Lake to instruct my Controlling Participant on my/our behalf to select CHESS takeover consideration code **EGA001**.

STEP 4 Signature of Shareholder(s) *This section must be completed.*

I/We accept the Offer made by Silver Lake for EganStreet Shares and I/we agree to be bound by the terms and conditions of the Offer and transfer ALL of my/our EganStreet Shares as per the above instruction.

Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

Contact
Name

Contact
Daytime
Telephone

Date / /

Privacy Notice

The personal information you provide on this form is collected by Computershare Investor Services Pty Limited ("CIS") for the purpose of maintaining registers of shareholders, facilitating distribution payments and other corporate actions and communications. We may also use your personal information to send you marketing material approved by Silver Lake Resources Limited. You may elect not to receive marketing material by contacting CIS using the details provided on the front of this form or by emailing privacy@computershare.com.au. We may be required to collect your personal information under the Corporations Act 2001 (Cth) and ASX Settlement Operating Rules. We may disclose your personal information to our related bodies corporate and to other individuals or companies who assist us in supplying our services or who perform functions on our behalf, to Silver Lake Resources Limited or to third parties upon direction by Silver Lake Resources Limited where related to the administration of your shareholding or as otherwise required or permitted by law. Some of these recipients may be located outside Australia, including in the following countries: Canada, India, New Zealand, the Philippines, the United Kingdom and the United States of America. For further details, including how to access and correct your personal information, and information on our privacy complaints handling procedure, please contact our Privacy Officer at privacy@computershare.com.au or see our Privacy Policy at <http://www.computershare.com/au>.

EGATKO

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Computershare

Silver Lake Resources Limited

ACN 108 779 782

Return your Form:



By Mail:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne Victoria 3001
Australia

For all enquiries:



Phone:

(within Australia) 1300 383 849
(outside Australia) +61 3 9415 4179

EGATKO

MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Takeover Acceptance Form

ISSUER

Your form must be received by the end of the Offer Period.

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Only sign and return this form if you wish to accept the Offer for ALL of your EganStreet Shares.

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If you mark the box in Step 3, Silver Lake will NOT withhold 12.5% of the capital proceeds paid for the acquisition of EganStreet Shares.

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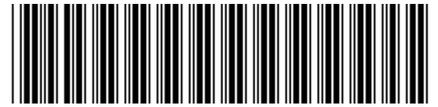
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- two Directors, **OR**
- a Director and Secretary.

Overseas Companies: Where the holding is in the name of an Overseas company (companies incorporated outside Australia) the form must be signed as above, or documentation must be provided showing that the company can sign in an alternate manner.

Deceased Estate: All executors must sign and a certified copy of Probate or Letters of Administration must accompany this form.

Entering contact details is not compulsory, but will assist us if we need to contact you.

Turn over to complete the form →



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Takeover Acceptance Form

For your security keep your SRN/
HIN confidential.

STEP 1 Registration Name & Offer Details

Registration Name: MR SAM SAMPLE
UNIT 123
SAMPLE STREET
SAMPLETOWN NSW 2001

Offer Details: Shareholding as at Register Date:

2000

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STEP 2 Accept the Offer

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- I/we am/are an Australian tax resident(s) (**tax residency declaration**); or
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Individual or Shareholder 1

Sole Director and Sole Company Secretary/
Sole Director (cross out titles as applicable)

Shareholder 2

Director

Shareholder 3

Director/Company Secretary
(cross out titles as applicable)

Contact
Name

Contact
Daytime
Telephone

Date / /

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