



2 December 2022

KINTERRA GAINS CONTROL OF CANNON RESOURCES THROUGH ITS PORTFOLIO COMPANY KEDALION WITH ACCEPTANCES NOW OVER 56%

Overview

- **Kedalion has a relevant interest of over 56% of the Cannon shares on issue (fully diluted) and has appointed a majority of the Cannon Board**
- **The Offer was declared unconditional on 21 November 2022**
- **Major Cannon shareholders, including Ponderosa Investments, Rox Resources and Hawkes Point have accepted the Offer**
- **The Offer remains open until 7.00pm (Perth time) on 21 December 2022, unless extended**
- **Cannon shareholders are urged to ACCEPT the Offer without delay**
- **If Offer acceptances with all necessary accompanying documentation are received prior to 12 December 2022, Kedalion will dispatch the cash consideration before Christmas. Otherwise, Kedalion will pay the cash consideration to Cannon shareholders who accept the Offer within one month of acceptance with all necessary accompanying documentation or if earlier, 21 days after close of the Offer¹**

Kedalion Nickel Pty Ltd (“**Kedalion**”) and Cannon Resources Limited (“**Cannon**” or “**the Company**”) are pleased to announce that, as at 1 December 2022, Kedalion had a relevant interest in 56.5% of the shares on issue (fully diluted) of Cannon.

Acceptances have been received from all of Cannon’s Board of Directors as well as major Cannon shareholders including Ponderosa Investments WA Pty Ltd, Rox Resources Limited and Hawkes Point (RR) L.P.

The Offer was declared unconditional on 21 November 2022. The independent Cannon Directors continues to unanimously recommend that shareholders accept the Offer, in absence of a superior proposal. No alternative bid for Cannon has emerged.

The Offer remains open until 7.00pm (Perth time) on 21 December 2022, unless extended and Cannon shareholders intending to accept the Offer are encouraged to do so immediately, so that they can receive the cash consideration under the Offer sooner.

If Offer acceptances with all necessary accompanying documentation are received prior to 12 December 2022, Kedalion will dispatch the cash consideration before Christmas. Otherwise, Kedalion will pay the cash consideration of \$0.45 per share to Cannon shareholders who accept the Offer within one month of acceptance with all necessary accompanying documentation or if earlier, 21 days after close of the Offer, in accordance with the terms of its Offer.¹

With Kedalion now having a relevant interest in Cannon of more than 50% of the fully diluted Cannon shares on issue (and in accordance with the bid implementation agreement dated 31 October 2022 between Kedalion

¹ Shareholders who accepted before the Offer became unconditional will be paid within one month of the Offer becoming unconditional.



and Cannon), Kedalion has appointed a majority of the Cannon Board and implemented the following changes with respect to Cannon:

- Kedalion Executives Cheryl Brandon and Kamal Toor have been appointed Non-Executive Directors of the Cannon Board, with Cheryl Brandon assuming the role of Chairperson (Andrea Betti was also appointed on 21 November 2022); and
- Cannon Board director Mark Stowell has resigned from the Cannon Board as part of the transition in Board composition and the Company thanks Mr Stowell for his service during his tenure.

In the event Kedalion receives valid acceptances of at least 75% of Cannon shares not held by Kedalion and its associates and acquires a relevant interest in Cannon of 90% or more, Kedalion intends to procure the resignation of all remaining Cannon Directors on the Cannon Board. Further, in the event Kedalion becomes entitled to compulsorily acquire outstanding Cannon shares under Part 6A of the Corporations Act 2001 (Cth), Kedalion intends to proceed with compulsory acquisition of any outstanding Cannon shares.

How to Accept

To accept the Offer prior to the Offer closing date, you can accept online by following the steps on how to accept the Offer outlined below.

If you have an existing Automic Investor account, visit:

<https://investor.automic.com.au/#/home> and log in using your username and password.

If you do not have an existing Automic Investor account, visit:

<https://investor.automic.com.au/#/signup> select 'Cannon Resources Limited Takeover Offer' from the Company Name Field and follow the prompts to set up an account.

Once you are logged in to your account, select "Offers" from the left menu bar and follow the prompts to submit your online acceptance of the Offer in time for it to be received before the end of the Offer Period.

Alternatively, to accept the Offer using a physical acceptance form, complete and sign the Acceptance Form enclosed with the Bidder's Statement in accordance with the instructions on the form and send it to the address set out on the form in time for it to be received before the end of the Offer Period.

If you have any questions about the Offer or how to accept the Offer, please contact the Offer Information Line on 1300 101 594 (from within Australia) or +61 2 8072 1412 (from outside Australia) between 8.30am and 5.00pm (Perth time).

Cannon Option Holders

Cannon option holders will be required to exercise their Cannon options and accept their Cannon shares into the Offer prior to the end of the Offer period in order to receive the \$0.45 Offer consideration per Cannon Share. Option holders may exercise their options by completing a notice of exercise form which is available from <https://investor.automic.com.au/#/home> together with payment of the exercise price for their exercised options. Detailed instructions on how to exercise Cannon Options are set out in Cannon's 'Notice to Option Holders' announcement, dated 1 November 2022.

This announcement has been approved for release by the Board of Cannon Resources Limited.

For further information, please contact:

Offer Information Line

T: 1300 101 594 (from within Australia)

T: +61 2 8072 1412 (from outside Australia)