

8 July 2024

Takeovers Panel declines to make a declaration of unacceptable circumstances

Westgold Resources Limited (ASX: WGX, OTCQX: WGXRF) (**Westgold** or the **Company**) welcomes the decision of the Takeovers Panel's (**Panel**) in which it has declined to make a declaration of unacceptable circumstances in response to the application dated 27 May 2024 by Ramelius Resources Limited (ASX: RMS) in relation to Westgold's proposal to acquire all of the issued share capital of Karora Resources Inc. (**Karora**) by way of a Canadian plan of arrangement (**Karora Transaction**).

Please refer to the media release titled "Westgold Resources Limited – Panel Accepts Undertakings and Declines to Make a Declaration", published today by the Panel on the Company's ASX market announcements platform for further information (**Panel Media Release**).

Consistent with the undertakings provided to and approved by the Panel (a copy of which is annexed to the Panel Media Release), Westgold and Karora have today entered into an amending agreement (**Amending Agreement**) giving effect to amendments to the non-solicitation provisions and fiduciary duty carveouts in the arrangement agreement entered into with Karora on 8 April 2024 (**Arrangement Agreement**).¹ A copy of the Amending Agreement is set out in the Annexure to this announcement.

The Karora Transaction has been unanimously approved by the boards of directors of Westgold and Karora. The Karora board of directors (**Karora Board**) has unanimously determined that the Karora Transaction is in the best interests of Karora and is fair to Karora's shareholders.

Accordingly, Westgold's offer to acquire Karora pursuant to the Karora Transaction is unanimously recommended by the Karora Board.

¹ Please refer to the Company's announcement on 24 June 2024 for a full copy of the Arrangement Agreement.

Indicative Timetable

Event / Action	Indicative Timing (Toronto)
Record date	13 June 2024
Circular registered mailed to Karora shareholders	27 June 2024
Karora shareholder Meeting	19 July 2024
Final court hearing	24 July 2024
Complete Transaction	31 July 2024

This announcement is authorised for release to the ASX by the Westgold board of directors.

Investor and media relations enquiries

Investor Relations
Kasun Liyanaarachchi | Investor Relations Manager
investor.relations@westgold.com.au
+61 458 564 483

Media
Peter Knight | Communications Manager
peter.knight@westgold.com.au
+61 459 980 481

Disclaimer

This document contains “forward-looking information” and “forward-looking statements” which are based on the assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management of Westgold believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as ‘expects’, ‘anticipates’, ‘plans’, ‘believes’, ‘estimates’, ‘seeks’, ‘intends’, ‘targets’, ‘projects’, ‘forecasts’, or negative versions thereof and other similar expressions, or future or conditional verbs such as ‘may’, ‘will’, ‘should’, ‘would’ and ‘could’. Although management believes that the assumptions made by Westgold and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. Forward-looking information involves known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of Westgold or the combined entity to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the actual market price of gold, the actual results of current exploration, the actual results of future exploration, changes in project parameters as plans continue to be evaluated, failure to receive the required shareholder, court and regulatory approvals for the Transaction, changes in laws, regulations and practices, the geopolitical, economic, permitting and legal climate that Westgold and Karora operate in, the failure by the parties to satisfy all closing conditions in respect of the Transaction, exercise of termination rights under the Transaction agreements, as well as those factors disclosed in Westgold's publicly filed documents. Westgold believes that the assumptions and expectations reflected in the forward-looking information are reasonable. Readers should not place undue reliance on forward-looking information. Westgold does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

This document includes information that has been prepared by third parties, and views based on information that has been prepared by third parties. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This document should not be relied upon as a recommendation or forecast by Westgold.

Annexure

Amending Agreement to the Arrangement Agreement

AMENDING AGREEMENT

THIS AMENDING AGREEMENT dated July 8, 2024,

BETWEEN:

WESTGOLD RESOURCES LIMITED, a company existing under the laws of Australia with ACN 009 260 306 (“**Westgold**”)

- and -

1474429 B.C. LTD., a corporation existing under the laws of British Columbia (“**Acquireco**”)

- and -

KARORA RESOURCES INC., a corporation existing under the laws of Canada (“**Karora**”)

- and -

CULICO METALS INC. (FORMERLY 1000853883 ONTARIO INC.), a corporation existing under the laws of Ontario (“**Spinco**”).

WHEREAS:

- A. On April 8, 2024, the Parties entered into an arrangement agreement (the “**Arrangement Agreement**”) pursuant to which the Parties plan to implement an arrangement under Section 192 of the CBCA involving, among other things, the contribution of certain assets of Karora to Spinco, the distribution to Karora Shareholders of Westgold Shares, Cash Consideration and Fractional Spinco Shares and the acquisition of all outstanding securities of Karora by Westgold;
- B. Section 8.3 of the Arrangement Agreement allows the Parties to amend the Arrangement Agreement at any time and from time to time before or after the holding of the Karora Meeting but not later than the Effective Time, in accordance with the terms and conditions set forth therein; and
- C. the Parties wish to amend the Arrangement Agreement.

THIS AMENDING AGREEMENT WITNESSES THAT in consideration of the covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties covenant and agree as follows:

ARTICLE 1 AMENDMENTS

1.1 Amendments

The Arrangement Agreement is amended as follows:

- (a) Subsection 7.2(a) is deleted in its entirety, and replaced with the following:

“Each Party shall, and shall direct and cause its respective officers, directors, representatives, advisors and agents and its subsidiaries and their representatives, advisors, agents, officers and directors (collectively, the “**Representatives**”) to immediately cease and cause to be terminated any solicitation, encouragement, activity, discussion or negotiation with any parties that may be ongoing with respect to an Acquisition Proposal whether or not initiated by such Party, and each Party shall immediately discontinue access to, and disclosure of, all information regarding such Party and such Party’s subsidiaries and promptly, and in any event within two (2) Business Days, request the return or destruction of information regarding such Party and its respective subsidiaries previously provided to such parties and shall request the destruction of all materials including or incorporating any confidential information regarding such Party and its subsidiaries. Each Party further represents and warrants that it has not waived any confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant to which it or a subsidiary is a party.”;

- (b) Subsection 7.2(f) is deleted in its entirety, and replaced with the following:

“Each Party shall ensure that its officers and directors and its subsidiaries and their officers and directors, and any financial advisors or other advisors retained by it are aware of the provisions of this Section 7.2, and it shall be responsible for any breach of this Section 7.2 by such officers, directors, financial advisors or other advisors.”;

- (c) the following wording is deleted from Subsection 7.2(d)(i)(D):

“that is substantively the same as the confidentiality agreement between the Parties hereto, and otherwise on terms no more favourable to such person than such confidentiality agreement, including a standstill provision at least as stringent as contained in such confidentiality agreement”;

- (d) the following wording is deleted from Subsection 7.2(d)(i)(E):

“(2) promptly, a copy of any such confidentiality agreement referred to in this Section 7.2(d)(i) upon its execution;”;

- (e) Subsection 7.2(d)(i)(E)(3) is deleted in its entirety, and replaced with the following:

“(3) a list of the information provided to such person and is immediately provided with access to similar information to which such person was provided (to the extent that such information had not previously been provided or otherwise made available

to the other Party). Nothing in this clause 7.2(d)(i)(E)(3) requires Karora or Westgold to provide or make available to the other Party any information the relevant Party, acting reasonably, considers is likely to disclose information relating to such person that is commercially sensitive information of that person. For the avoidance of doubt, this does not include the information required to be provided under section 7.3(a)(iii).”;

- (f) Subsection 7.3(a)(iii) is deleted in its entirety, and replaced with the following:

“the Terminating Party has provided the other Party with a copy of all documentation required pursuant to Section 7.2(c) and 7.2(d) and a summary of all material terms and conditions of the definitive agreement for the Superior Proposal (including a summary of the material terms and conditions of any supporting agreements)”;

- (g) the following wording is deleted from Section 7.3(a)(iv):

“(including a notice as to the value in financial terms that the board of directors has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal)”;

- (h) Subsection (c) of the definition of “Superior Proposal” in Section 1.1 is deleted in its entirety.

1.2 Other Matters

Except for the foregoing amendment, the Parties acknowledge and confirm that the Arrangement Agreement shall remain in full force and effect, unamended and without novation, and, upon the execution of this Amending Agreement, the Arrangement Agreement and this Amending Agreement shall be deemed to constitute the entire Arrangement Agreement.

ARTICLE 2 GENERAL PROVISIONS

2.1 Definitions

All capitalized terms used but not otherwise defined in this Amending Agreement shall have the respective meanings ascribed to them in the Arrangement Agreement.

2.2 Interpretation Not Affected by Headings

The division of this Amending Agreement into Articles, Sections, subsections, paragraphs and Schedules, and the insertion of headings are for convenience of reference only and shall not affect in any way the meaning or interpretation of this Amending Agreement. Unless the contrary intention appears, references in this Amending Agreement to an Article, Section, subsection, paragraph or Schedule by number or letter or both refer to the Article, Section, subsection, paragraph or Schedule, respectively, bearing that designation in this Amending Agreement.

2.3 Reference to Arrangement Agreement

On and after the date hereof, each reference in the Arrangement Agreement to “this Agreement”, “hereof”, “herein”, “hereto”, “hereunder” or words of like import shall mean and be a reference to the Arrangement Agreement as amended by this Amending Agreement, and each reference to the Arrangement Agreement in any other document, instrument or agreement executed and/or delivered in connection with the Arrangement Agreement shall mean and be a reference to the Arrangement Agreement as amended by this Amending Agreement.

2.4 Application of Arrangement General Provisions

The provisions of Article 9 *General Provision* of the Arrangement Agreement shall apply, *mutatis mutandis*, to this Amending Agreement.

[Signature Page Follows.]

IN WITNESS WHEREOF the Parties have caused this Amending Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

EXECUTED by WESTGOLD)
RESOURCES LIMITED in accordance)
with section 127(1) of the *Corporations*)
Act 2001 (Cth):)

(signed) "*Cheryl Edwardes*")
.....)
Signature of director)

CHERYL EDWARDES)
.....)
Name of director (block letters))

(signed) "*Wayne Bramwell*")
.....)
Signature of director/company secretary*)
*delete whichever is not applicable)

WAYNE BRAMWELL)
.....)
Name of director/company secretary* (block)
letters))
*delete whichever is not applicable)

KARORA RESOURCES INC.

By: (signed) "*Paul Huet*"
Name: Paul Huet
Title: Chairman

1474429 B.C. LTD.

By: (signed) "*Wayne Bramwell*"
Name: Wayne Bramwell
Title: Director

CULICO METALS INC.

By: (signed) "*Paul Huet*"
Name: Paul Huet
Title: Chairman