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Your Ref:
Our Ref: 180352

Allion Partners Pty Ltd
ABN: 43 109 326 463

By Email: Jessica.coupe@asx.com.au

10 September 2018

ASX Limited
Level 40, Central Park
152-158 St George's Terrace
Perth WA 6000

Attention: Ms Jessica Coupe

TAKEOVER BID BY RAMELIUS RESOURCES LIMITED FOR EXPLAURUM LIMITED

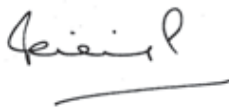
We act for Ramelius Resources Limited (ABN 51 001 717 540) (**Ramelius**).

We **attach**, by way of service pursuant to section 633(1) item 5 of the *Corporations Act 2001* (Cth) (**Corporations Act**), a copy of our client's bidder statement in relation to its off-market takeover bid under Chapter 6 of the Corporations Act for all of the fully paid ordinary shares in Explaurum Limited (ABN 50 114 175 138) (**Explaurum**) (**Bidder's Statement**).

The Bidder's Statement has been lodged with the Australian Securities and Investments Commission (**ASIC**) and has been sent to Explaurum.

We note that in accordance with ASIC CO 13/521, certain information has been omitted from the Bidder's Statement. Pursuant to CO13/521, the omitted information will be included in the bidder's statement sent to Explaurum security holders and an updated copy will be sent to ASIC, Explaurum and ASX in accordance with section 633(1) of the Corporations Act.

Yours faithfully



Philip Lucas
Partner
D / +61 (8) 9216 7171
E / plucas@allionpartners.com

Ramelius Resources Limited

ABN 51 001 717 540

Bidder's Statement

ACCEPT

the offer to purchase all of your shares in

Explaurum Limited

ABN 50 114 175 138

of 1 Ramelius Share for every 4 of Your Explaurum Shares

This is an important document and requires your immediate attention.

If you are in any doubt about how to deal with this document, you should
contact your broker, financial adviser or legal adviser immediately.

The Offer is dated [*] 2018 and will close at 5.00pm (WST) on [*] 2018, unless extended.

If you have any questions about this Bidder's Statement, please call the Offer
Information Line on 1800 237 687 (within Australia) or
+61 1800 237 687 (from outside of Australia), Monday to Friday

Legal Adviser

Financial Adviser

ALLION
PARTNERS 



Key dates

Date of this Bidder's Statement	10 September 2018
Date of Offer	[*] 2018
Offer closes (unless extended or withdrawn)	5.00pm (WST) on [*] 2018

Key Contacts

Ramelius share registrar for the Offer

Computershare Investor Services Pty Limited
GPO Box 1326
Adelaide, South Australia, 5000

Offer Information Line*

1800 237 687 (within Australia) or
+61 1800 237 687 (from outside of Australia)
Monday to Friday between 8.30am to 5.30pm (WST)

*Calls to these numbers may be recorded.

Important Notices

Nature of this document

This Bidder's Statement is issued by Ramelius Resources Limited ACN 001 717 540 (**Ramelius**) under Part 6.5 of the *Corporations Act 2001* (Cth) and sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your shares in Explaurum Limited ACN 114 175 138 (**Explaurum**).

A copy of this Bidder's Statement was lodged with ASIC and given to ASX on 10 September 2018. Neither ASIC nor its officers takes any responsibility for the content of this Bidder's Statement.

No investment advice

In preparing this Bidder's Statement, Ramelius has not taken into account the individual objectives, financial situation or needs of individual Explaurum Shareholders. The information and recommendations contained in this Bidder's Statement do not constitute, and should not be taken as, financial product advice. Accordingly, before making a decision whether or not to accept the Offer, the Ramelius Board encourages you to consult with your financial, legal, taxation or other professional adviser.

This Bidder's Statement is important and requires your immediate attention. It should be read in its entirety before making a decision on whether or not to accept the Offer. In particular, it is important that you consider the key risks associated with the Offer, as set out in section 10 of this Bidder's Statement.

Disclaimer as to forward looking statements and information

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. Forward looking statements or statements of intent in relation to future events in this Bidder's Statement should not be taken to be forecasts or predictions that those events will occur. All forward looking statements in this Bidder's Statement reflect views only as at the date of this Bidder's Statement, and generally may be identified by the use of forward looking words such as "believe", "aim", "expect", "anticipate", "intending", "foreseeing", "likely", "should", "planned", "may", "estimate", "potential", or other similar words. Similarly, statements that describe the objectives, plans, goals or expectations of Ramelius or any member of the Ramelius Group may be forward looking statements. You should be aware that such statements are only opinions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which Explaurum and Ramelius and the members of Explaurum Group and Ramelius Group operate as well as general economic conditions, prevailing exchange rates and interest rates and conditions in the financial markets. Any such statements are also affected by a range of variables which include, but are not limited to, the price performance of Ramelius Shares and Explaurum Shares, commodity price fluctuations, input price fluctuations, currency fluctuations, actual demand, geotechnical factors, mineral resource and ore reserve estimates, operating results, governmental and regulatory factors, economic, financial and political conditions in various countries, approvals and cost estimates. Actual events or results may differ materially from the events or results expressed or implied in any forward looking statement and deviations are both normal and to be expected. None of Ramelius, its Subsidiaries or their respective officers, directors, employees or advisers, any 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.

Responsibility for information

Except as outlined below, the information contained in this Bidder's Statement has been prepared by Ramelius and is its responsibility alone.

Disclaimer as to Explaurum and Merged Group information

The information on Explaurum, Explaurum's securities and the Explaurum Group contained in this Bidder's Statement should not be considered to be comprehensive and has been prepared by Ramelius using publicly available information.

The information on Explaurum, Explaurum's securities and the Explaurum Group has not been independently verified by Ramelius. Accordingly Ramelius does not, subject to the Corporations Act, make any representation or warranty, express or implied, as to the accuracy or completeness of such information.

The information on the Merged Group contained in this Bidder's Statement, to the extent that it incorporates or reflects information on Explaurum and the Explaurum Group, has also been prepared using publicly available information and limited information made available to Ramelius by Explaurum. Accordingly, information in relation to the Merged Group is subject to the foregoing disclaimer to that extent.

Further information relating to Explaurum's business may be included in Explaurum's Target's Statement.

Explaurum Shareholders outside Australia

This Bidder's Statement has been prepared having regard to Australian disclosure requirements. These requirements may be different from those in other jurisdictions.

Restrictions in jurisdictions outside Australia may make it impractical or unlawful for Ramelius Shares to be issued under the Takeover Bid to, or received under the Takeover Bid by, Explaurum Shareholders in those jurisdictions. Explaurum

Shareholders with registered addresses outside Australia and New Zealand should refer to sections 11.10 and 12.7 of this Bidder's Statement for more information.

This Bidder's Statement does not constitute an offer to Explaurum Shareholders or a solicitation of an offer from Explaurum Shareholders in any jurisdiction in which to do so would be illegal.

No action has been taken to register or qualify Ramelius or to otherwise permit the offering of Ramelius Shares outside Australia.

In making the Offer available to Explaurum Shareholders with registered addresses in New Zealand, Ramelius is relying on an exemption contained in the *New Zealand Securities Act (Overseas Companies) Exemption Notice 2013* in relation to prospectus and investment statement requirements in New Zealand. This Bidder's Statement may not contain all the information that a bidder's statement or prospectus under New Zealand law is required to contain.

Implied value of Offer

As you are being offered Ramelius Shares as consideration for your Explaurum Shares, the implied value of the Offer will vary with the price at which Ramelius Shares trade on the ASX. Unless otherwise noted, premiums presented in this Bidder's Statement are based on a price per Ramelius Share of A\$0.492 being the 30-day VWAP of Ramelius Shares ending on the trading day before the Offer was announced. Further information about the recent trading prices of Ramelius Shares is set out in section 5.2.

Websites

Ramelius maintains an internet site at www.rameliusresources.com.au. Information contained in, or otherwise accessible through, this internet site is not a part of this Bidder's Statement. All references in this Bidder's Statement to this internet site are inactive textual references to this internet site and are for your information only.

Privacy

Ramelius has collected your information from the Explaurum register of shareholders for the purpose of making this Offer and, if accepted, administering a record of your acceptance of Ramelius' Offer for your holding of Explaurum Shares. The type of information Ramelius has collected about you includes your name, contact details and information on your shareholding in Explaurum. Without this information, Ramelius would be hindered in its ability to issue this Bidder's Statement. The Corporations Act requires the name and address of shareholders to be held in a public register. Personal information of the type described above may be disclosed on a confidential basis to Ramelius' Related Bodies Corporate and external service providers (such as print and mail service providers) and may be required to be disclosed to regulators such as ASIC and ASX. The registered address of Ramelius is Level 1, 130 Royal Street, East Perth, Western Australia WA 6004.

Defined terms and abbreviations

A number of terms and abbreviations used in this Bidder's Statement have defined meanings. These terms and abbreviations are capitalised and have the meanings given to them in section 14 of this Bidder's Statement. In addition, unless the contrary intention appears, or the context requires otherwise, words and phrases used in this Bidder's Statement that are defined in the Corporations Act have the same meaning and interpretation as in the Corporations Act.

Charts, maps and diagrams

Any diagrams, charts, maps, graphs or tables appearing in this Bidder's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date immediately prior to the date of this Bidder's Statement.

Effect of rounding

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

Questions about the Offer

If you have any questions about the Offer please contact the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST).

Why you should **ACCEPT the Offer**

- 1 The Offer price represents a significant premium to the current Explaurum Share price.**
 - 2 In the absence of the Offer, the Explaurum Share price is likely to fall below the Offer price.**
 - 3 You will become a shareholder in a profitable, financially secure company with a stable platform of established Australian mines managed by a high-quality team.**
 - 4 Potential to consolidate the Edna May and Tampia Hill Project to realise significant capital cost savings and operational synergies while maintaining exposure to ongoing exploration potential.**
 - 5 The Offer reduces risks associated with remaining an Explaurum Shareholder, specifically:**
 - dilutive capital raisings for ongoing working capital requirements;**
 - uncertainty over access to funding and the potential for significant shareholder dilution via equity raising;**
 - potential for high debt levels needing to be serviced via a single asset operation; and**
 - plant design, construction, commissioning and mining risks.**
 - 6 Lower operational and cashflow risk from a diverse suite of Ramelius operations.**
 - 7 The conditions of the Offer are limited.**
 - 8 Removes possible minority shareholder risks if you do not accept the Offer.**
-

ACCEPT THE OFFER

For more information on the reasons why you should accept the Offer, please refer to section 1 of this Bidder's Statement. For information on how to accept the Offer, please refer to sections 2 and 12.3 of this Bidder's Statement.

CONTENTS

CHAIRMAN'S LETTER.....	1
1. WHY YOU SHOULD ACCEPT THE OFFER.....	3
2. HOW TO ACCEPT THE OFFER	10
3. SUMMARY OF THE OFFER AND FREQUENTLY ASKED QUESTIONS	11
4. PROFILE OF RAMELIUS AND THE RAMELIUS GROUP	17
5. INFORMATION ON RAMELIUS' SECURITIES	30
6. PROFILE OF EXPLAURUM AND EXPLAURUM GROUP	35
7. INFORMATION ON EXPLAURUM'S SECURITIES	39
8. RAMELIUS' INTENTIONS IN RELATION TO EXPLAURUM.....	43
9. EFFECT OF THE OFFER ON RAMELIUS AND PROFILE OF THE MERGED GROUP	49
10. KEY RISKS ASSOCIATED WITH THE OFFER	53
11. ADDITIONAL INFORMATION.....	58
12. THE TERMS AND CONDITIONS OF THE OFFER.....	61
13. AUSTRALIAN TAX IMPLICATIONS	74
14. DEFINITIONS AND INTERPRETATION	76
15. APPROVAL OF BIDDER'S STATEMENT	80
ATTACHMENT 2 - ASX ANNOUNCEMENTS BY RAMELIUS SINCE 30 AUGUST 2018.....	90
CORPORATE DIRECTORY.....	91

CHAIRMAN'S LETTER

Dear Explaurum Shareholder,

On behalf of the Ramelius Board, I am pleased to present you with this compelling Offer to acquire all of your shares in Explaurum. If you accept the Offer you will receive 1 Ramelius Share for every 4 of Your Explaurum Shares.

This Offer values your shares in Explaurum at approximately **A\$59.2 Million¹ or A\$0.123 per Explaurum Share** based on a 30-day Volume Weighted Average Price (VWAP) of Ramelius Shares as at 7 September 2018 of **A\$0.492**, the day prior to the announcement of the Offer.

This Offer represents an attractive premium on a variety of relevant metrics for Explaurum Shares:

- A **66.2% premium** to the last traded Explaurum Share price as at 7 September 2018, being the last trading day prior to the announcement of the Offer.
- A **59.7% premium** to the 10 day VWAP of the Explaurum Share price as at 7 September 2018, being the last trading day prior to the announcement of the Offer.
- A **50.0% premium** to the 30 day VWAP of the Explaurum Share price as at 7 September 2018, being the last trading day prior to the announcement of the Offer.

Our Offer for Your Explaurum Shares has been structured so that you receive an attractive upfront premium in the form of shares in Ramelius whilst also retaining exposure to the Tampia Hill Project. By accepting the Offer and becoming a Ramelius Shareholder, you will also become a part owner of three existing cash producing assets owned by Ramelius, which combined with the Tampia Hill Project can offer excellent share price growth potential.

The Offer is subject to a limited number of conditions including that Explaurum's assets are maintained in their current form, and that there are no "prescribed occurrences" or material adverse changes. We advise that the Offer is not subject to a minimum acceptance threshold. A full list of the bid conditions is provided in section 12.8 of this Bidder's Statement.

About Ramelius

Ramelius is involved in the exploration, development and production of gold in Western Australia. Ramelius Shares are listed on the ASX under the code "RMS" with Ramelius having a market capitalisation of approximately A\$248M and cash and gold bullion at 30 June 2018 of A\$95.5M whilst remaining debt free. Ramelius posted an after-tax profit for the 2018 financial year of A\$30.8 million, which was the fourth consecutive year of profitable operations. Ramelius expects to produce in excess of 200,000oz per annum of gold in the 2018/19 Financial Year from its Mt Magnet, Edna May and Vivien operations.

Background and Rationale for the Offer

As owners and operators of the Edna May gold mine near Westonia WA, Ramelius was aware of Explaurum's Tampia Hill Project and the merits in investigating joint approaches to mining resources in the area to maximise returns and avoid expensive duplication of infrastructure.

Following a review process post Explaurum's announcement of the results from their Tampia Feasibility Study, Ramelius formed an opinion that given the capital cost burden of this project and the reduction in the net present value since the previous scoping study, a merger of the two companies would provide mutual benefits to shareholders in both companies.

The Explaurum Board was presented with an attractive proposal, at a substantial premium to the market price of Explaurum Shares, via which Ramelius invited Explaurum to commence a due diligence process. Over this time, it was anticipated that a review of alternative approaches to the development of Tampia Hill Project would be jointly examined, including the option for Tampia ore being processed through Edna May's processing facilities. From this study the parties would have then ideally reached an agreement on the fair value for Your Explaurum Shares. This was to be done on a non-binding basis with no obligation on the part of Explaurum to move forward with a recommended transaction.

¹ Based on 481,412,320 Explaurum Shares on issue.

However, we have not been able to come to an agreement so consequently, in light of the compelling nature of the offer the Board of Ramelius has resolved to put this Offer to you directly, as the owners of Explaurum, in order to allow for the broader shareholder base to consider the benefits of our proposal.

We believe our Offer presents significant strategic benefits, including:

- Subject to the outcome of a Strategic Review of the Explaurum assets, the potential for alternate and quicker paths to access first cash flow from the Tampia Hill Project through the use of the established processing facilities at the Edna May operation, owned 100% by Ramelius, situated 140km north of the Tampia Hill Project.
- If the Strategic Review indicates the construction of a processing facility at the Tampia Hill Project is considered the best way forward, then the Offer provides Explaurum Shareholders with access to the very strong balance sheet of Ramelius that would remove the need of having to borrow significant amounts of debt for the capital cost of a new processing facility.
- Reducing the dilution in value for the existing Explaurum Shareholders through a substantial dilutive equity raising to fund further exploration activities and subsequently the non-debt portion of the capital costs if Explaurum were to develop the Tampia Hill Project alone.
- Providing Explaurum Shareholders with access to Ramelius' other cash generating assets at Mt Magnet, Vivien and Edna May.

Compelling Offer for Explaurum Shareholders

By accepting this Offer you will become a shareholder in a financially stronger company with significant annual production, excellent cashflows, asset diversification and very attractive growth prospects². The Ramelius Board invite Explaurum Shareholders to be part of our exciting growth strategy.

Ramelius believes the Offer made to Explaurum Shareholders is attractively priced and designed to provide the immediate certainty of a premium to the current Explaurum Share price yet retaining ongoing exposure to the share price upside Ramelius believes may be generated through the proposed transaction.

I urge you to ACCEPT the Offer as soon as possible and take the opportunity to be part of an established, rapidly growing, diversified gold miner with strong future growth prospects.

Yours sincerely,

Mr Kevin Lines

**Independent Non-Executive Chairman
Ramelius Resources Limited**

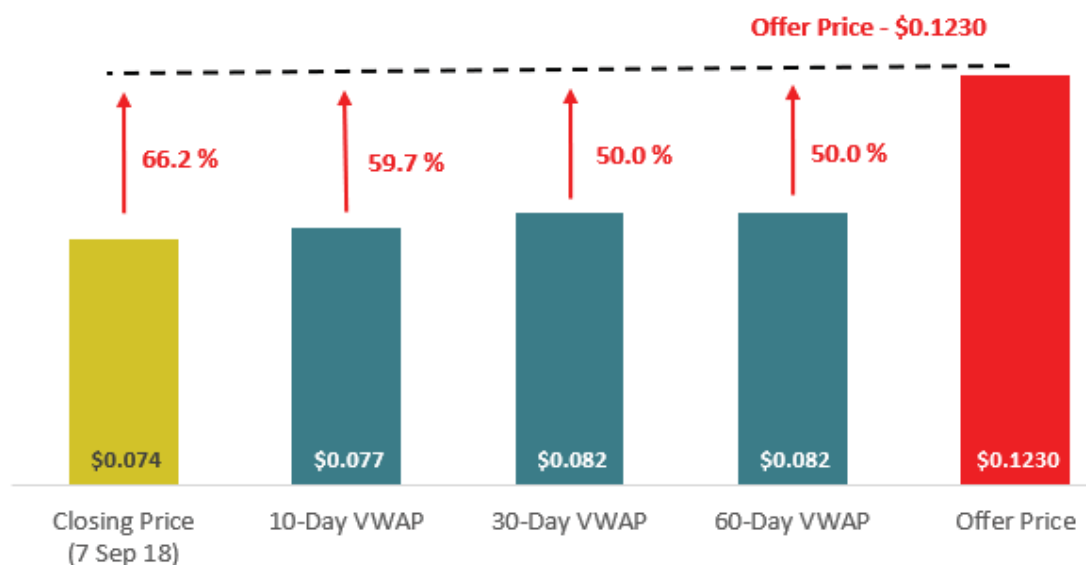
² If you are a Foreign Explaurum Shareholder, you will not receive Ramelius Shares as part of the Offer Consideration. Please see sections 11.10 and 12.7 of this Bidder's Statement for further details.

1. WHY YOU SHOULD ACCEPT THE OFFER

1.1 The Offer price represents a significant premium to the current Explaurum Share price

The Offer provides Explaurum Shareholders with the ability to retain exposure to the Tampia Hill Project while capturing an attractive premium for their shareholding and becoming part of a diversified mid-tier Australian gold producer at a consideration of one (1) share in Ramelius for every four (4) shares in Explaurum. The significant premium represents:

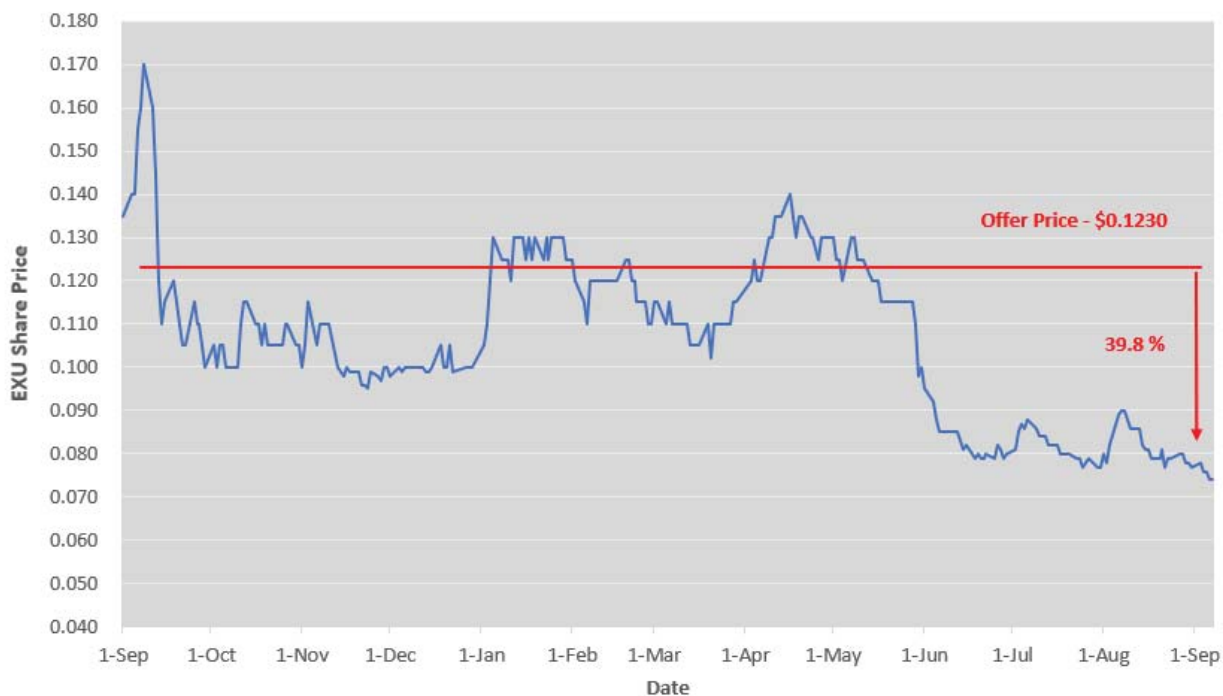
- 66.2% to Explaurum's closing share price of \$0.074 on 7 September 2018, being the last day prior to the Announcement Date;
- 59.7% to the 10-day VWAP of Explaurum Shares up to 7 September 2018 of \$0.077;
- 50.0% to the 30-day VWAP of Explaurum Shares up to 7 September 2018 of \$0.082; and
- 50.0% to the 60-day VWAP of Explaurum Shares up to 7 September 2018 of \$0.082.



1.2 In the absence of the Offer, the Explaurum Share price is likely to fall below the Offer price

Although many factors affect the price of any given security, if the Offer is not successful and no higher bid for Explaurum emerges, the Explaurum Share price is likely to fall below the implied Offer value and trade back at those levels seen prior to the Announcement Date.

The trading price of Explaurum Shares on the ASX in the last 12 months prior to the Announcement Date compared to the Offer price³ is shown below.



³ As Ramelius Shares are listed on the ASX their market price can vary meaning the Offer price could be higher or lower than the price shown on the chart.

1.3 You will become a shareholder⁴ in a profitable, financially secure company with a stable platform of established Australian mines and a high quality team

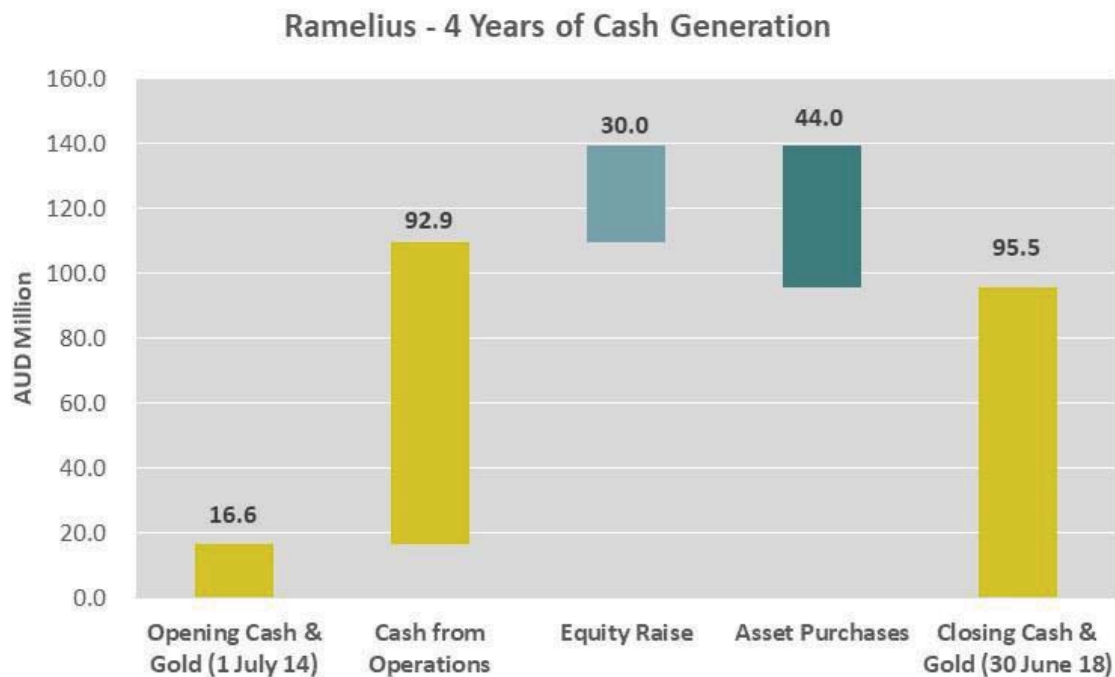
The Ramelius Board and management team has a significant depth of experience in the gold mining sector including all aspects of financing, exploration, development and operations. This team has established a strong track record of delivery on its core growth objectives and built Ramelius into a diversified mid-tier gold producer.

In 2018 the Company produced 208,118 ounces of fine gold at an All In Sustaining Cost ("AISC") of A\$1,191/oz. As at 30 June 2018, Ramelius had A\$95.5 million in cash and gold bullion, with no debt. Ramelius posted an after-tax profit for the 2018 financial year of A\$30.8 million, which was the fourth consecutive year of profitable operations.

The Company forecasts FY2019 to be another very strong year with gold production of approximately 200,000-220,000 ounces at an AISC of A\$1,150-\$1,250/oz.

The Company also has a prudent approach to risk management and has established a hedge book (at 30 June 2018) comprising 140,250 ounces of gold at an average delivery price of A\$1,719/oz over a period 1 July 2018 to 30 November 2019.

Over the past 4 years the financial returns and cash build up have been significant as the chart below illustrates:



⁴ If you are a Foreign Explorator Shareholder, you will not receive Ramelius Shares as part of the Offer Consideration. Please see section 11.10 and 12.7 of this Bidder's Statement for further details.

1.4 Potential to consolidate the Edna May and Tampia Hill Project to realise significant capital cost savings and operational synergies while maintaining exposure to ongoing exploration potential

To date, the Ramelius due diligence in relation to Explaurum has been limited to publicly available information. On attaining effective control of Explaurum, the Board of Ramelius intends to undertake a comprehensive Strategic Review which will be an important step in informing and determining Ramelius' approach to its investment in Explaurum.

Given the location of the Ramelius owned Edna May processing facility and associated infrastructure, one possible outcome of the Strategic Review is to examine further whether trucking the ore from Tampia to Edna May is a more financially robust alternative to building a new facility next to the Tampia Resource (as currently proposed by Explaurum).

This option, which could be one of many that arise from the proposed Strategic Review, would eliminate the need to spend significant amounts of capital on a new plant and utilise the infrastructure already in place at Edna May. This would also likely mean the Tampia Hill Project will be mined and generate cashflow earlier than Explaurum's current plans.

Whilst there will be additional costs to truck the ore to Edna May, the significant reduction in capital and the earlier revenue profile are likely to generate a financial return on capital that warrants consideration as a viable alternative approach.

Further, there would be savings in general and administrative costs as there would be no need to duplicate these sorts of overheads.

The ability of Ramelius to undertake and implement the results of the Strategic Review will be influenced by the level of acceptances under the Offer. Please see section 8 of this Bidder's Statement for further information in this regard.

1.5 The Offer reduces risks associated with remaining an Explaurum Shareholder

Ramelius believes the Offer provides compelling value for Explaurum Shareholders and reduces risks associated with a continuing investment in Explaurum.

If you accept the Offer and Ramelius gains control of Explaurum, then you will no longer be exposed to material external and company specific risks and uncertainties which could adversely affect the future trading price of Explaurum Shares.

In contrast, if you do not accept the Offer you will remain exposed to the risks and uncertainties associated with an investment in Explaurum, including:

(a) **Dilutive capital raisings for ongoing working capital requirements**

As a junior explorer heading into development, Explaurum is likely to continue to raise additional equity to explore and to fund working capital requirements. These funds will typically be raised at a share price that is a discount to market, thereby diluting the underlying value per Explaurum Share.

Accepting this Offer will facilitate Explaurum Shareholders access to the financial strength of Ramelius, eliminating the need for these potentially value eroding equity raisings.

(b) **Uncertainty over access to debt funding and the potential for significant shareholder dilution via an equity raising to fund Project capital**

By accepting the Offer there will be no requirement to issue substantial amounts of new equity in Explaurum to fund part of the proposed development of the Tampia Hill Project. Any new issue of Explaurum shares to fund the development costs of the Tampia Hill Project or to support ongoing exploration costs and working capital could result in significant dilution for existing Explaurum Shareholders and a reduction in the value of the Tampia Hill Project per Explaurum Share.

Furthermore, the Board of Explaurum have stated they are investigating whether debt would be available to part fund the capital cost of developing the Tampia Hill Project. Whilst the Tampia Hill Project has robust financial returns there is no guarantee that any form of debt or project financing will become available, or indeed on favourable terms. Any amounts not funded via debt will have to be funded via additional potentially dilutive equity capital.

(c) **Potential for high debt levels needing to be serviced via a single asset operation**

As at 30 June 2018, Ramelius had cash and gold bullion of A\$95.5 million and with no debt.

The initial capital costs of the Tampia Hill Project are estimated to be A\$118.5M⁵, which is approximately 3 times the current market capitalisation of Explaurum. This potential for high gearing levels carries significant risk in that the repayment obligations will need to be met by a company with only a single asset operation.

By accepting the Offer, and Ramelius gaining effective control of Explaurum, there will no longer be a requirement to raise any significant amounts of project finance.

(d) **Plant design, construction, commissioning and mining risks**

Subject to the outcome of the Strategic Review (refer to 1.3 above and section 8), utilising the existing processing facilities at Edna May will reduce the risks associated with planning, permitting, constructing, commissioning and financing a new processing facility at the Tampia Hill Project.

Capital cost overruns and time pressures are a material risk to the financial position of a small company, particularly if that company only owns the one asset and has borrowed to part fund the capital and cannot therefore diversify its risk through cash from other sources.

By accepting the Offer, Explaurum Shareholders will benefit from the significant mining and development experience within Ramelius, whose team has an excellent track record at designing and developing both open pit and underground mines and as noted above, access to the financial capacity of Ramelius.

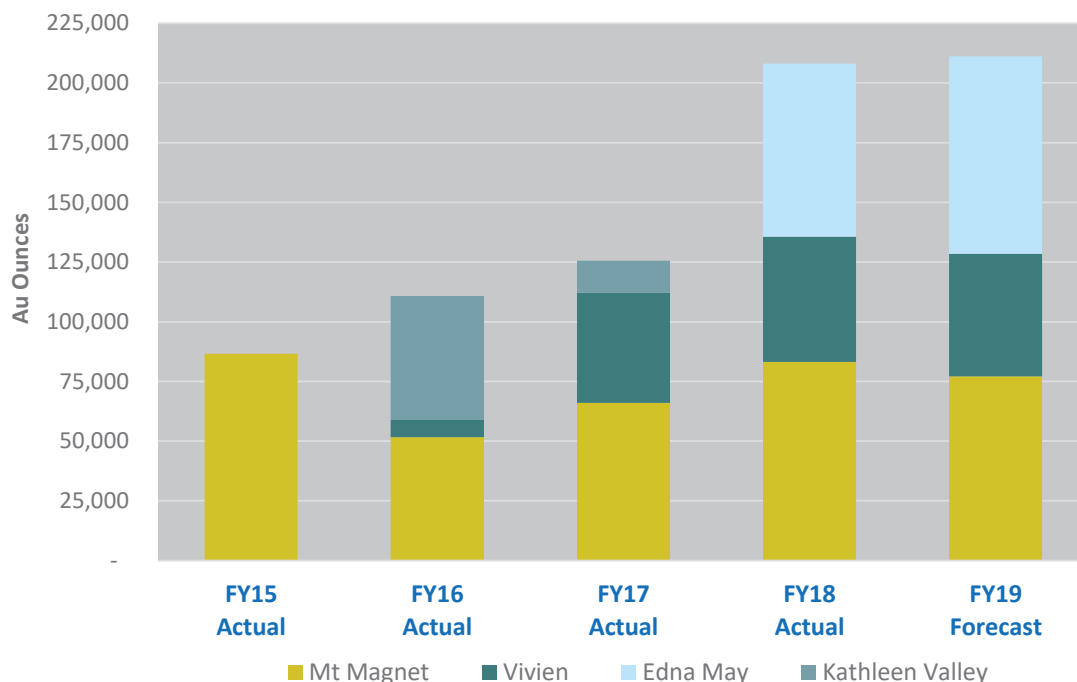
⁵ Per Explaurum's Tampia Hill Project feasibility study announcement to ASX on 30 May 2018.

1.6 Lower operational and cashflow risk from a diverse suite of Ramelius operations

By accepting the Offer, Explaurum Shareholders will benefit from having access to a larger portfolio of assets across a broader geographic area.

Ramelius generated positive cash flow from the Edna May, Mt Magnet and Vivien operations during the 2018 financial year. By accepting the Offer, shareholders of Explaurum will effectively have the use of any cash generated from these sources, hence diversifying their risk away from a single asset company.

The Offer not only provides Explaurum Shareholders exposure to the other Ramelius assets (all owned 100%), but it ensures that Explaurum Shareholders accepting the offer remain exposed to the Tampia Hill Project through being a shareholder of the enlarged Merged Group.



1.7 The conditions of the Offer are limited

The Offer is subject to a limited number of conditions, including that Explaurum's assets are maintained in their current form and that there being no "prescribed occurrences" or material adverse changes.

Importantly, there is no minimum acceptance condition pertaining to the Offer, meaning that if you accept into the Offer, but other Explaurum Shareholders do not, you may still receive your allotment of Ramelius Shares.

The level of conditionality should provide Explaurum Shareholders with a high level of certainty that they will receive consideration for their Explaurum Shares following their acceptance of the Offer.

Please see section 12.8 for a full list of the conditions to the Offer.

1.8 Possible minority shareholder risks if you do not accept the Offer

If you do not accept the Offer and Ramelius acquires a majority of Explaurum Shares but does not become entitled to compulsorily acquire your Explaurum Shares, you will become a minority shareholder in Explaurum with reduced influence in the running of the business.

In this scenario, decisions made in respect of the business of Explaurum, under the control of Ramelius, may impact those Explaurum Shareholders who do not accept the Offer.

Furthermore, Ramelius' controlling position in Explaurum may affect the liquidity of the minority shareholders in Explaurum. This may make it more difficult for the minority shareholders to sell their shares at an attractive price.

Please see section 8 of this Bidder's Statement for further information regarding Ramelius' intention regarding Explaurum.

2. HOW TO ACCEPT THE OFFER

Please refer to section 12.3 of this Bidder's Statement and your personalised Acceptance Form (which accompanies this Bidder's Statement) for full details on how to accept this Offer.

You may accept the Offer for some or all of Your Explaurum Shares.

How you accept this Offer depends on whether Your Explaurum Shares are held in an Issuer Sponsored Holding or a CHESS Holding. This information is shown on your personalised Acceptance Form.

For Issuer Sponsored Holdings of Explaurum Shares (such holdings will be evidenced by an 'I' appearing next to your holder number on the enclosed Acceptance Form):

To accept the Offer, complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it to the address indicated on the form before the Offer closes.

For CHESS Holdings of Explaurum Shares (such holdings will be evidenced by an 'X' appearing next to your holder number on the enclosed Acceptance Form):

To accept the Offer, either complete and sign the enclosed Acceptance Form in accordance with the instructions on it and return it to the address indicated on the form or instruct your Controlling Participant (normally your broker) to accept the Offer on your behalf before the Offer closes.

For Participants:

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Your acceptance must be received by no later than 5.00 pm (WST) on [*] 2018, unless the Offer is extended or withdrawn.

If you have any questions about how to accept the Offer please contact the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST).

3. SUMMARY OF THE OFFER AND FREQUENTLY ASKED QUESTIONS

The information in this section 3 is a summary of the Offer only and is qualified by the detailed information contained in the rest of this Bidder's Statement. You should read this Bidder's Statement and Explaurum's Target Statement in full before deciding whether or not to accept the Offer for your Explaurum Shares. If you are in any doubt as to how to deal with this document, please consult your financial, legal, taxation or other professional adviser.

The terms and conditions of the Offer are contained in section 12 of this Bidder's Statement.

What is the Bidder's Statement?	This Bidder's Statement relates to the Offer by Ramelius to acquire all of Your Explaurum Shares and sets out the terms and conditions of the Offer, information relating to the Offer and the Offer Consideration you will receive if you accept the Offer (subject to satisfaction or waiver of the conditions of the Offer).
Who is Ramelius?	Ramelius is an ASX listed entity involved in the exploration, development and production of gold in Western Australia. In FY2018 Ramelius produced 208,118 ounces (oz) of gold at an AISC of A\$1,191/oz of gold and finished the financial year with A\$95.5 million in cash and gold, with no debt. The Company posted an after-tax profit for the 2018 financial year of A\$30.8 million, which was the fourth consecutive year of profitable operations. Further details about Ramelius and the Ramelius Group are contained in section 4 of this Bidder's Statement.
What is Ramelius offering to buy?	Ramelius is offering to buy all of the Explaurum Shares, including any Explaurum Shares that are issued during the Offer Period whether due to the conversion of Explaurum Options, Explaurum Performance Rights or otherwise, on the terms set out in this Bidder's Statement. You may accept this Offer in respect of some or all of Your Explaurum Shares.
What will I receive if I accept the Offer?	If you accept the Offer, subject to the satisfaction or waiver of the conditions to the Offer, you will receive 1 Ramelius Share for every 4 of Your Explaurum Shares. If the calculation of the number of Ramelius Shares you are to receive as part of the Offer Consideration results in an entitlement to a fraction of a Ramelius Share, that fraction will be rounded up to the next whole number of Ramelius Shares.
What is the value of the Offer Consideration?	The Offer Consideration is comprised of 1 Ramelius Share for every 4 Explaurum Shares. The aggregate value of the Offer Consideration is approximately A\$0.123 per Explaurum Share, based on a 30-day VWAP of Ramelius Shares as at 7 September 2018 of A\$0.492, the day prior to the Announcement Date. As Ramelius Shares are listed on the ASX, the market price of Ramelius Shares can fall as well as rise and may be subject to varied and unpredictable influences. Accordingly, there is no guarantee that the 1 Ramelius Share will continue to be worth equal to or above A\$0.492. See section 5.2 of this Bidder's Statement for further details regarding the valuation of the Ramelius Shares.

What are the conditions of the Offer?	The Offer is subject to a number of conditions, which are set out in full in section 12.8 of this Bidder's Statement. These conditions include (by way of summary only): (a) Explaurum's assets are maintained in their current form; (b) no 'prescribed occurrences' occurring in relation to Explaurum; (c) no material adverse change occurring; (d) the spot gold price as quoted by Bloomberg does not fall below A\$1350 per ounce at any time during a day for three consecutive days between Announcement Date and the end of the Offer Period (each inclusive); and (e) no other party acquiring a Relevant Interest in more than 20% of the Explaurum Shares. If any of these conditions (or the other conditions set out in section 12.8 of this Bidder's Statement) are not satisfied or waived by Ramelius by the end of the Offer Period, then the Offer will lapse and not proceed (i.e. you will retain Your Explaurum Shares). In addition, there is a statutory condition (see section 12.11 of this Bidder's Statement) relating to the ASX quotation of Ramelius Shares to be issued under the Offer. If this condition is not fulfilled, the Offer will lapse and not proceed (i.e. you will retain Your Explaurum Shares).
What happens if the conditions of the Offer are not satisfied or waived by the time the Offer closes?	If the conditions of the Offer are not satisfied or waived by the time the Offer closes, the Offer will lapse and your acceptance will be void. In those circumstances, you will not receive the Offer Consideration for Your Accepted Shares and you will retain Your Accepted Shares.
When will I receive my Offer Consideration under the Offer?	Generally, Ramelius will issue the Offer Consideration to you under the Offer on or before the earlier of: (a) one month after this Offer is accepted or one month after all of the conditions have been freed or fulfilled (whichever is the later); and (b) 21 days after the end of the Offer Period. If the conditions of the Offer are not satisfied or waived by the time the Offer closes, the Offer will lapse and your acceptance will be void. In those circumstances you will not receive the Offer Consideration for Your Accepted Shares and you will retain Your Accepted Shares. Full details of when your Offer Consideration will be provided are set out in section 12.6 of this Bidder's Statement.
Will I need to pay brokerage or stamp duty on acceptances?	If Your Explaurum Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Ramelius, you will not incur any brokerage fees or be obliged to pay stamp duty in connection with your acceptance of the Offer.

If Your Explaurum Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Explaurum 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.

Broker handling fees

Ramelius may offer to pay a commission to brokers who solicit acceptances of the Offer from their clients, but has made no final decision in relation to the matter at this stage. If Ramelius makes a decision to offer such a commission to brokers, it will make an announcement to ASX confirming this.

If such arrangements are put in place, commission payments will not exceed 0.75% of the value of the consideration payable for parcels of Explaurum Shares held by retail Explaurum Shareholders who accept the Offer, and will be subject to minimum payments (not exceeding \$50) and maximum payments (not exceeding \$750) for each Explaurum Shareholder.

The commission is payable to brokers only and subject to the condition that no part of the fee will be able to be passed on or paid to Explaurum Shareholders.

It is Ramelius' intention that, once an offer of commission has been made to any broker by Ramelius, the commission arrangement will remain in place for the balance of the Offer Period and the amount of the commission offered will not be increased during the Offer Period.

Will my new Ramelius Shares be quoted on the ASX?

Ramelius will apply for the Ramelius Shares to be issued under the Offer to be quoted on the ASX within 7 days after the date of this Bidder's Statement. Quotation of these Ramelius Shares will not be automatic but will depend on the ASX exercising its discretion. However, as Ramelius is already admitted to the official list of the ASX and Ramelius Shares in the same class as to those to be issued under the Offer are already quoted, Ramelius believes quotation of the new Ramelius Shares will be granted.

When does the Offer close?

The Offer closes at 5.00pm (WST) on [*] 2018, unless it is extended under the Corporations Act.

Can I accept the Offer for only some of my Explaurum Shares?

Yes. You can accept the Offer for some or all of Your Explaurum Shares.

Full details on the effect of your acceptance of the Offer are set out in section 12.5 of this Bidder's Statement.

How do I accept the Offer?

You may accept the Offer for some or all of Your Explaurum Shares.

Issuer sponsored shareholders

If Your Explaurum Shares are registered in an Issuer Sponsored Holding (such holdings will be evidenced by an 'I' appearing next to your holder number on the enclosed Acceptance Form), to accept this Offer, you must complete and sign the Acceptance Form enclosed with this Bidder's

Statement and return it to the address indicated on the form before the Offer closes.

CHESSE shareholders

If Your Explaurum Shares are registered in a CHESSE Holding (such holdings will be evidenced by an 'X' appearing next to your holder number on the enclosed Acceptance Form), you may accept the Offer by either:

- (a) completing and signing the Acceptance Form enclosed with this Bidder's Statement and returning it to the address indicated on the form; or
- (b) instructing your Controlling Participant (normally your broker) to accept the Offer on your behalf,

before the Offer closes.

Participants

If you are a Participant, acceptance of this Offer must be initiated in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the Offer closes.

Full details on how to accept the Offer are set out in section 12.3 of this Bidder's Statement.

What if I am a Foreign Explaurum Shareholder?

Generally speaking, if your address on Explaurum's register of members is in a jurisdiction other than Australia or New Zealand you will be considered to be a Foreign Explaurum Shareholder.

If you are a Foreign Explaurum Shareholder you are entitled to accept the Offer just like any other Explaurum Shareholder. However, you will not be entitled to receive Ramelius Shares as a result of acceptance. Instead, the Ramelius Shares to which you would otherwise be entitled will be issued to a sale nominee approved by ASIC who will sell those Ramelius Shares on the ASX and provide you with the net sale proceeds.

See sections 11.10 and 12.7 of this Bidder's Statement for further details.

Can I accept the offer if I would receive an Unmarketable Parcel of Ramelius Shares?

Yes.

What happens if I do not accept the Offer?

If you do not accept the Offer, subject to what is stated below, you will remain an Explaurum Shareholder and will not receive the Offer Consideration.

If Ramelius becomes entitled to compulsorily acquire Your Explaurum Shares, it intends to proceed with the compulsory acquisition. If Your Explaurum Shares are compulsorily acquired by Ramelius, it will be on the same terms (including the same consideration for each Explaurum Share acquired) as the Offer.

See section 8.4 of this Bidder's Statement for further details.

Once accepted, can I withdraw my acceptance?

Once you accept the Offer, you will be unable to revoke your acceptance unless a withdrawal right exists or arises under the Corporations Act. Such a right may arise if, after you have

accepted the Offer and the Offer remains conditional, Ramelius varies the offer in a way that postpones, for more than one month, the time by which Ramelius has to meet its obligations under the Offer. If this occurs, a notice will be sent to you at the relevant time that explains your rights to withdraw your acceptance of the Offer.

See section 12.5 of this Bidder's Statement for further details.

Can I sell the Ramelius Shares I receive as part of the Offer Consideration?	Yes, you will be able to sell the Ramelius Shares you receive as part of the Offer Consideration on-market on the ASX.
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Does Ramelius currently have a Relevant Interest in Explaurum?	No, as at the date of this Bidder's Statement, Ramelius does not hold a Relevant Interest in Explaurum.
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See section 7.5 of this Bidder's Statement for further details.

How is Ramelius funding the Offer?	The consideration for the acquisition of the Explaurum Shares will be satisfied by the issue of Ramelius Shares.
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Ramelius has the capacity to issue the maximum number of Shares which it may be required to issue under the Offer.

See section 9.5 of this Bidder's Statement for further details.

What if I accept the Offer and Ramelius improves the Offer Consideration?	In accordance with the Corporations Act, if Ramelius improves the Offer Consideration under the Takeover Bid, all Explaurum Shareholders, whether or not they have accepted the Offer before that improvement in the Offer Consideration, will be entitled to the benefit of that improved Offer Consideration.
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What are the tax implications if I accept the Offer?	Refer to section 13 of this Bidder's Statement for some general comments around potential tax implications of this Offer. However, tax implications for accepting the Offer for Your Explaurum Shares will vary for each individual and you are advised to consult your financial, tax or other professional adviser on the tax implications of acceptance.
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How will the Explaurum Options and Explaurum Performance Rights be treated under the Offer?	Ramelius is not offering to acquire the Explaurum Options or Explaurum Performance Rights under the Offer and at this stage has no intention to make any separate offers to acquire the Explaurum Options or Explaurum Performance Rights. Ramelius is however offering to buy any Explaurum Shares issued during the Offer Period due to the conversion of Explaurum Options or the Explaurum Performance Rights on the terms set out in this Bidder's Statement.
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See sections 7.2 and 7.3 of this Bidder's Statement for further details.

Are there any risks in accepting the Offer?	If you accept the Offer you will become a Ramelius Shareholder (unless you are a Foreign Explaurum Shareholder).
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There are risks associated with holding Ramelius Shares, which are summarised in section 10 of this Bidder's Statement. In deciding whether or not to accept the Offer, you should carefully consider these risks.

Where do I go for further information?

This Bidder's Statement contains detailed information about the Offer, including the terms and conditions of the Offer contained in section 12 of this Bidder's Statement. For queries on how to accept the Offer, Explaurum Shareholders should also refer to the enclosed Acceptance Form.

For all other queries in relation to the Offer, please contact the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST). Please be aware that any calls to these numbers may be recorded. Queries in relation to the Offer will not be received on any other telephone numbers of Ramelius or its advisers.

Explaurum Shareholders should also read the Target's Statement in full for further information about the Offer and before deciding whether or not to accept Ramelius' Offer.

If you are in any doubt as to how to deal with this Bidder's Statement, please consult your financial, legal, taxation or other professional adviser.

4. PROFILE OF RAMELIUS AND THE RAMELIUS GROUP

4.1 Overview of Ramelius

Ramelius Resources Ltd has been a Western Australian focussed gold explorer and miner since it listed on the ASX under the code “RMS” in March 2003. Since Ramelius was listed it has grown to a market capitalisation of approximately A\$248 million as at 7 September 2018.

Ramelius has successfully acquired and developed a number of gold projects in Western Australia, both open cut and underground, and has built a reputation as a competent and disciplined operator. Over the past five years Ramelius has produced over 620,000 ounces of gold from a number of different operations.

Ramelius currently owns and operates the Mt Magnet, Edna May and Vivien gold mines, all situated in Western Australia (see Figure 4.1.1 below). Ore from the high-grade Vivien underground mine, located near Leinster, is trucked to the Mt Magnet processing plant where it is blended with ore from both underground and open pit sources.

The Edna May operation, purchased from Evolution Mining Limited in October 2017, is currently a single open pit operation feeding an adjacent processing plant.

During FY18 Ramelius produced 208,118 ounces at an AISC of A\$1,191/oz leaving the Company with A\$95.5 million in cash and gold bullion at 30 June 2018 and no debt.



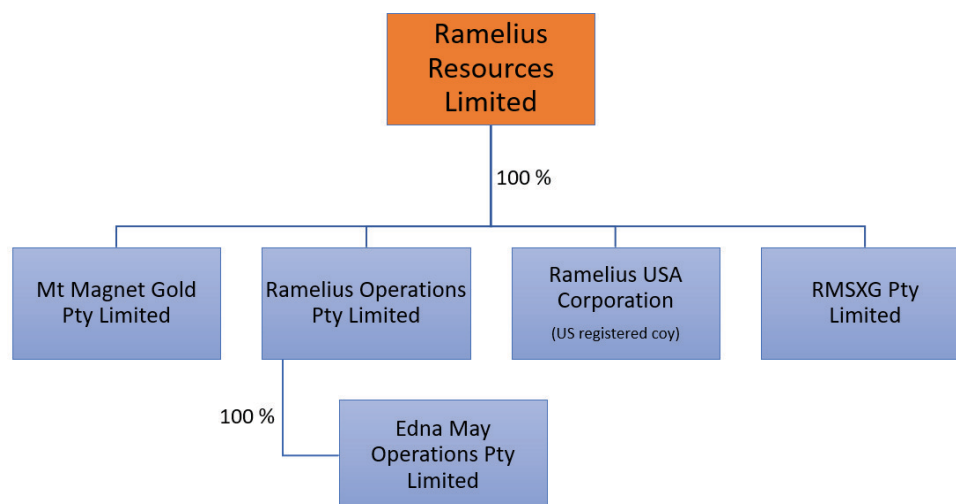
Figure 4.1.1: Ramelius' Operations & Development Project Locations

Ramelius also has considerable exploration experience within its team and has interests across Australia and in Nevada, USA. In the 2018 financial year Ramelius spent approximately A\$14 million on exploration activities in and around the two main centres of Mt Magnet and Edna May and also in Nevada, one of the most richly gold endowed provinces in the world.

The head office of Ramelius is located in Perth, Western Australia.

4.2 Structure and Ownership of Ramelius

An overview of the corporate structure of Ramelius is set out below:



As at 7 September 2018, Ramelius had 6,286 registered shareholders, with the Top 20 shareholders owning 57.89% of the Company. See section 5.8 of this Bidder's Statement for a list of the substantial shareholders of Ramelius.

4.3 Ramelius' principal operations and projects

Over the past 4 years Ramelius has grown its gold production by 140%, from 86,653 ounces in FY15 to 208,118 ounces in the recent FY18. The coming year to 30 June 2019 is forecasted to be a potential new record for the Company at between 200,000 and 220,000 ounces of fine gold.

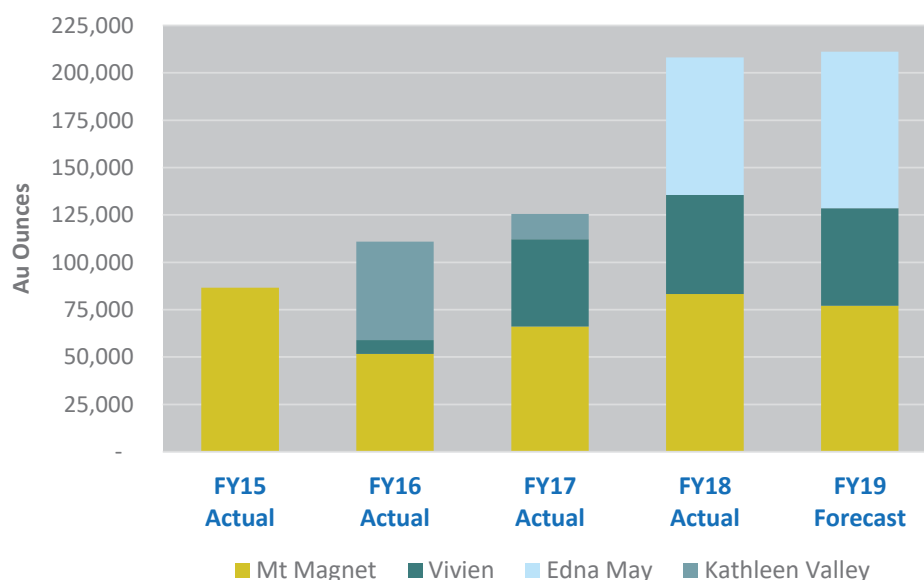


Figure 4.3.1: 4 Year Production History & Forecast for FY 19.

A brief summary of Ramelius' principal operations and projects is set out below.

Mt Magnet (Ramelius: 100%)

The Mt Magnet project, located in the Murchison region of WA, is a significant gold producer comprising multiple deposits mined by underground and open pit methods. The area is one of the most prolific mining districts in Australia, having produced over 6 million ounces of gold over the last century.

Ramelius acquired the Mt Magnet operation in July 2010. Current mining operations are centred on the Cosmos Mine Area (Milky Way, Stellar, Stellar West & Shannon open pits) and the Water Tank Hill underground (refer Figure 4.3.2 below). Ore is mined and trucked to the 1.9Mtpa processing facility.

In the 12 months to 30 June 2018 a total of 10.3 million bank cubic metres (BCM) of material was mined from a total of six different open cut mines. An additional 180kt of high grade underground material was also mined and hauled to the processing plant. In total, 1.2 million tonnes of ore was mined in the 2018 financial year. Including stockpiles, a total of 1.7 million tonnes was processed at the Mt Magnet mill (excluding the ore trucked from Vivien) at an average grade of 1.59 g/t Au producing 83,191 ounces of fine gold.

Approximately A\$9.7 million was spent on resource definition and exploration drilling in and around Mt Magnet in FY2018. Significant exploration and resource definition drilling has been conducted at the Shannon, Hill 60 and Eridanus deposits since late 2017⁶, generating the new resources and reserves reported in section 4.4 below.

Eridanus is a new discovery at Mt Magnet and demonstrates that shallow historic drill coverage can miss deposits. It is located between the historic Lone Pine and Theakston pits, 1.5km south of Shannon and around 6km south-west of the Mt Magnet processing plant. Hill 60 is 500m south of the operating St George/Water Tank Hill underground mine.

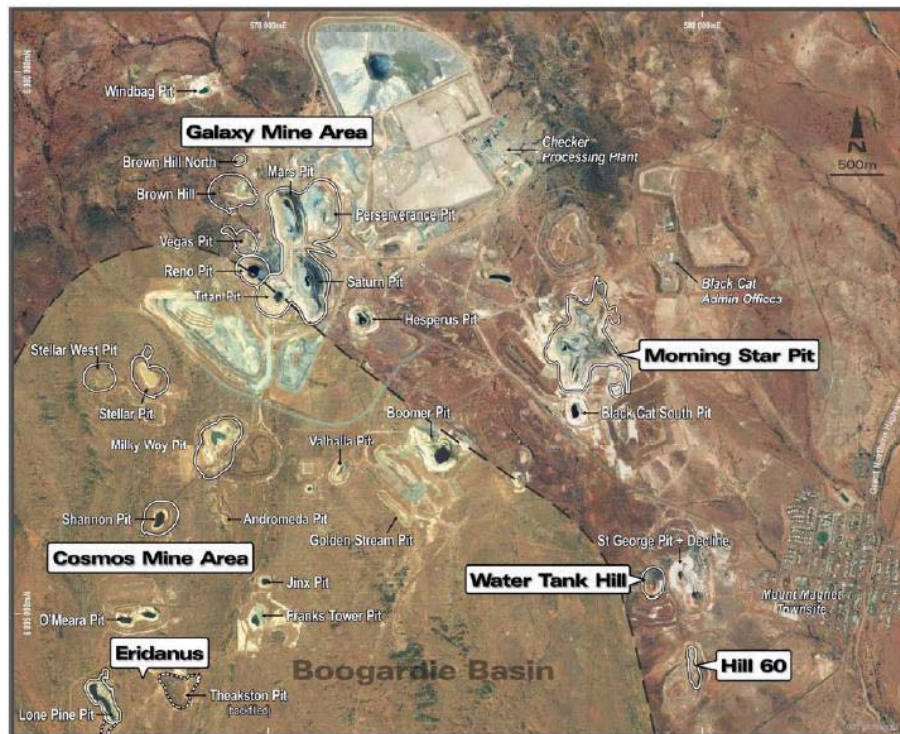


Figure 4.3.2: Mt Magnet key mining and exploration areas

Vivien Underground (Ramelius: 100%)

⁶ See RMS ASX Releases, "December 2017 Quarterly Activities Report", 30/01/2018, "Exploration & Resource Development Update", 9/03/2018 & "March 2018 Quarterly Activities Report", 30/04/2018, "June 2018 Quarterly Activities Report", 30/07/2018.

The high-grade Vivien underground mine is located near the Agnew Gold Mine, 15 km west of the town of Leinster in Western Australia.

The underground project commenced in May 2015. Ore has been accessed via a decline driven from the previous Vivien open pit. Initial project works were completed in the second quarter of 2015 with completion of a small pit cutback at the portal position, pit dewatering, site layout and infrastructure.

The decline was commenced in June 2015. It was driven 100 vertical metres to access the lode position beneath the historic underground workings. Ore development commenced in late 2015 and is still ongoing.

In FY2018 a total of 3,266 metres were developed, producing 227,887 tonnes of ore. During the year a total of 252,679 tonnes of ore at 6.64 g/t Au was processed at the Mt Magnet processing facility, producing 52,406 ounces of fine gold.

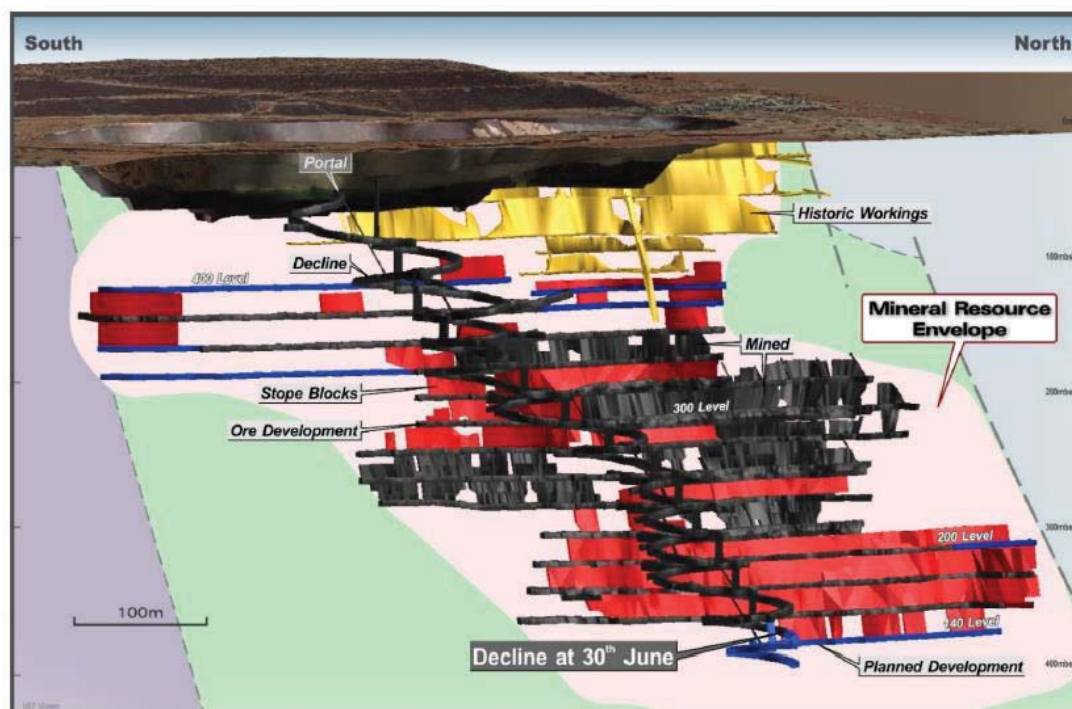


Figure 4.3.3: Vivien development/stopping progress (grey) - oblique view to east

The Vivien operation has been a very consistent mine producing an average of approximately 12,500 ounces of fine gold every quarter at an AISC of under A\$1,100/oz of gold.

Exploration at Vivien has been focused on depth extensions in an attempt to understand if the ore zone re-develops at depth. Approximately 4,000 metres of deeper diamond drilling has been carried out to 600 metres below surface with best results including 5.6m @ 5.2g/t Au (from 330m) and 10.3m @ 9.2g/t Au (from 291m)⁷⁷. The drilling from surface has been complicated by access issues and Ramelius is now investigating the merits of a new underground drill drive to access depths between 600m and 1000m below surface.

Edna May (Ramelius: 100%)

Ramelius acquired the Edna May Gold Mine in October 2017 from Evolution Mining Ltd. Edna May is an operating open pit gold operation which was mined historically by ACM Gold in the late 1980's. Current operations were commenced by Catalpa Resources in 2010, which merged with Conquest in 2011 forming Evolution Mining.

The deposit has recorded production of over 1 million ounces, with over 500,000 ounces of gold produced since 2011 under the ownership of Evolution. Annual production since 2011 has ranged from

⁷⁷ See RMS ASX release, "Exploration & Resource Development Drilling Update", 4/09/2017.

66koz to 99koz of gold. Historic underground mining between 1911 and 1948 recorded production of 570kt at a grade of 19.3 g/t Au.

Open pit mining uses conventional drill and blast, load and haul methods and equipment. Waste stripping on the current Stage 2 pit cutback has been completed and strong ore production is expected in FY2019. Ore is mined as bulk ore blocks within the Edna May Gneiss (geological setting) (**EMG**) at a typical head grade of 0.9 – 1.2 g/t Au.

The Edna May mill is a 2.8Mtpa conventional carbon-in-leach (CIL) gold plant comprising of two stage crushing, SAG and Ball mill, gravity circuit and leaching. Approximately 50% of Edna May gold is recovered via the gravity circuit. Total recovery is around 93%.

During FY2018 (under the control of Ramelius) just over 2 million BCM were mined producing 2.1 million tonnes of ore. The mill at Edna May processed 2.0 million tonnes at an average grade of 1.2 g/t Au for 72,520 ounces of fine gold production (9 months only).

Future development phases for Edna May include potential for a major Stage 3 pit cutback or an underground mine targeting the higher-grade quartz reefs within the EMG. Ramelius has conducted drilling programmes, including underground diamond drilling and is in the process of finalising related studies to determine the best option for continued mine life.

Greenfinch Pit

Over the next 2 years, the Greenfinch open pit (blue outline in Figure 4.3.4 below) is expected to be a major source of ore feed to the Edna May mill. Greenfinch contains a Mineral Resource of 4.3Mt at 1.1 g/t Au for 154koz and a current Ore Reserve of 1.7Mt at 1.2 g/t Au for 62koz⁸.

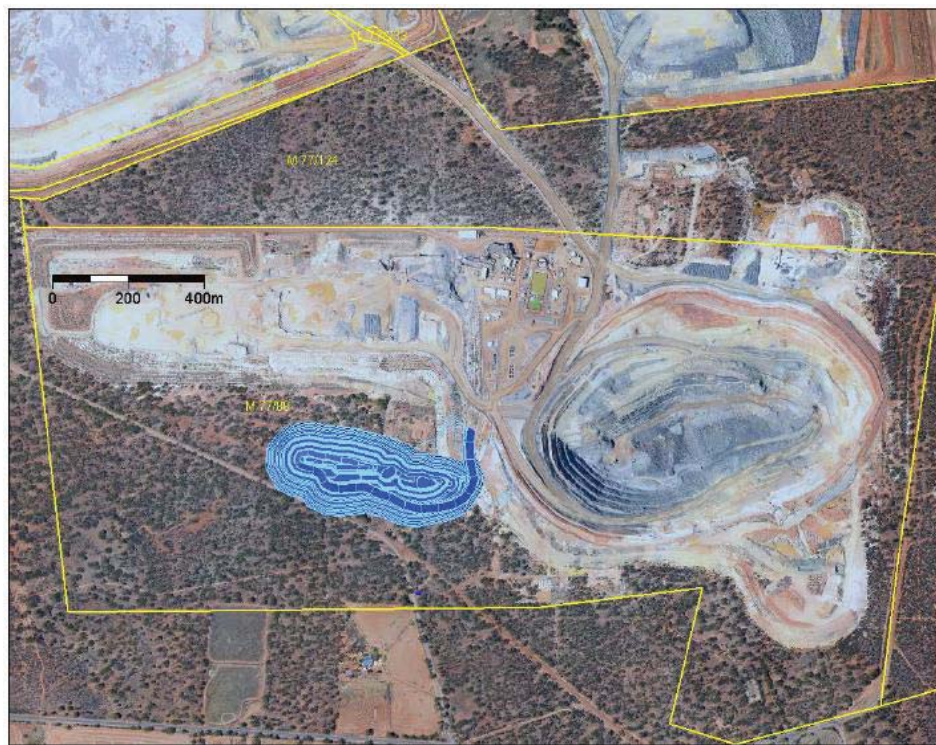


Figure 4.3.4: Greenfinch Mine Design (in blue)

The approvals process for Greenfinch are ongoing, with a start date currently expected in the December quarter of 2018.

⁸ See RMS ASX release "Edna May Resource & Reserve Increases", 6/06/2018

Edna May Stage 3 Development Studies

As noted above, significant studies are underway into the optimal way to access Stage 3 of the Edna May mine. The cross section below illustrates the preliminary studies into a large cut-back to access Stage 3 via an open cut.

The updated Mineral Resource (as announced on 6 June 2018) for Edna May is 26.1Mt @ 0.9g/t Au for 794koz⁸. The preliminary Stage 3 open pit could potentially be 380m deep (Stage 2 designed to 250m) with the crest of the design being approximately 100m from the processing facility.

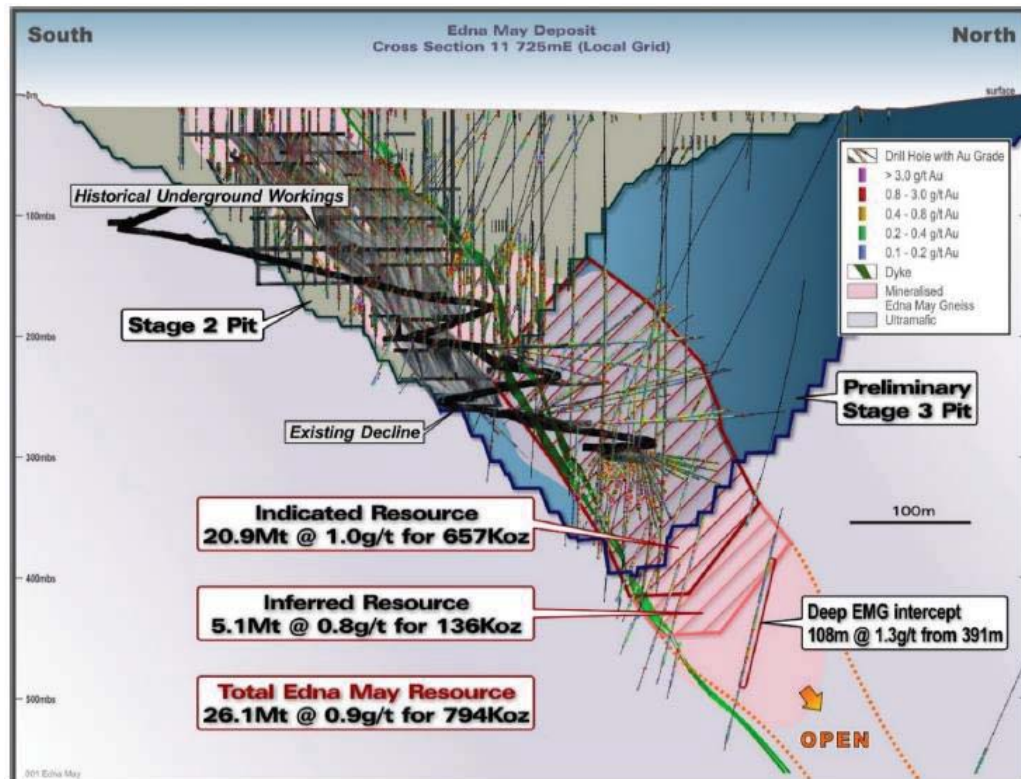


Figure 4.3.5: Cross Section of Edna May Stage 3 Open Cut Potential

Whilst the open cut would mine the entire Edna May Gneiss orebody, it requires a significant capital pre-strip and additional surface clearing. The preliminary tonnage profile does however fit well with the current plant configuration and gives Edna May a potential for a 7-year overall pit life.

Within the total resource there is 356kt at 6.7 g/t Au for 77koz⁸ which is amenable to underground mining. The preliminary underground design is currently from 250 metres below surface (mbs) to 450 mbs.

Importantly, the decline is already in place with excellent ground conditions and no surface clearing would be required to commence underground mining activities. There would be minimal capital development and the mining would focus on the best high-grade veins within the EMG. The current resource potentially supports a 3-year mine life but being open at depth this could easily increase if deeper drilling is successful.

The mill would need to be run at a lower through-put as the production rate from underground would be smaller than current mill capacity.

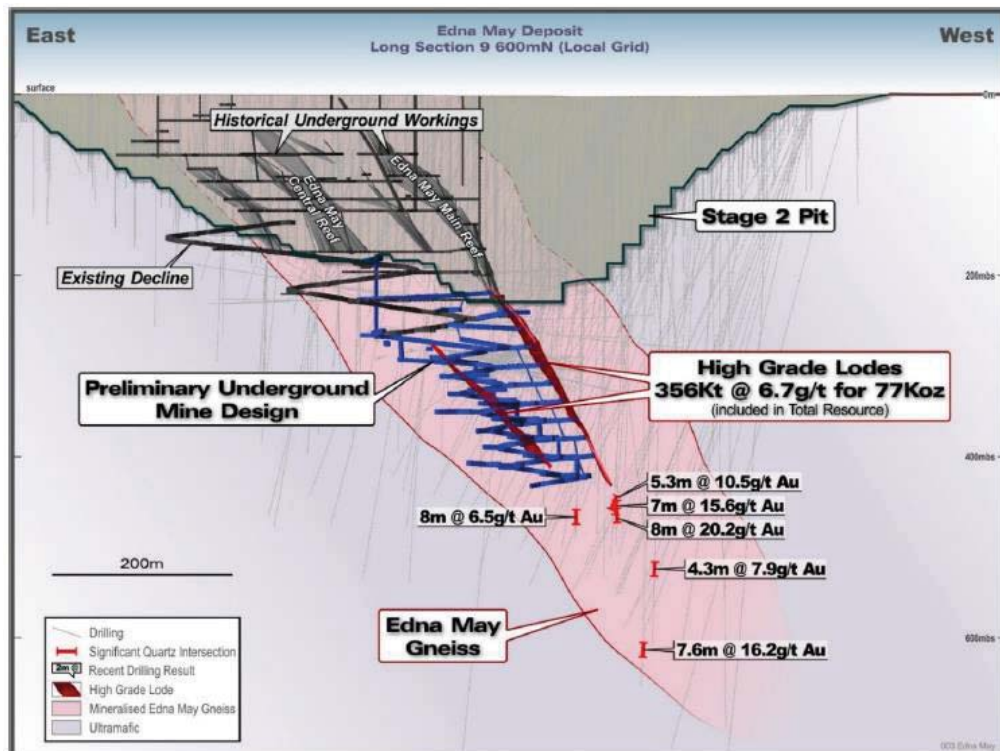


Figure 4.3.6: Long Section of Edna May Stage 3 Underground Potential

4.4 Ramelius' Mineral Resources and Ore Reserves

Ramelius' current published Mineral Resources and Ore Reserves are tabled below. Mineral Resources are quoted from the following Ramelius ASX releases: "Resources and Reserves Statement 2017" announced 29 September 2017, "Edna May Resource & Reserve Increases" announced 6 June 2018 and "Mt Magnet Resources & Reserves Increases" announced on 6 August 2018.

No depletion has been made for mining since the 2017 statement was released. An updated annual Mineral Resources and Ore Reserves statement is due later in September 2018 and to the extent required, Ramelius will provide additional disclosure at that time.

MINERAL RESOURCES AS AT 30 JUNE 2017 & FY2018 ADDITIONS - INCLUSIVE OF RESERVES														
Site	Deposit	Measured			Indicated			Inferred			Total Resource			
		kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	
Mt Magnet	Galaxy	92	1.8	5	5,254	1.9	318	4,017	1.2	159	9,364	1.6	482	
	Morning Star				4,866	1.9	301	4,322	1.5	205	9,188	1.7	506	
	Bartus Group	49	2.2	4	115	2.1	8	238	1.6	12	402	1.8	24	
	Boomer				1,194	1.8	68	786	1.0	26	1,980	1.5	94	
	Britannia Well				179	2.0	12				179	2.0	12	
	Bullocks				202	3.3	21	40	2.5	3	242	3.2	24	
	Eastern Jaspilite	146	2.2	10	121	2.8	11	134	2.5	11	401	2.4	32	
	Eclipse				167	2.2	12	41	2.1	3	208	2.1	15	
	Eridanus				2,840	1.3	123	690	1.1	23	3,530	1.3	146	
	Golden Stream				154	2.9	14	7	1.7		160	2.8	14	
	Hill 60				200	4.4	28	160	4.3	22	360	4.3	50	
	Lone Pine	199	2.5	16	277	1.7	15	147	1.7	8	623	1.9	39	
	Milky Way				2,660	1.3	114	1,258	1.2	50	3,918	1.3	164	
	O'Meara Group				231	2.5	18	151	1.5	7	383	2.1	25	
	Shannon				480	5.0	77	290	4.2	39	770	4.7	116	
	Spearmont - Galtee				25	2.9	2	207	4.3	28	232	4.1	30	
	Stellar				637	1.5	32	124	1.9	7		1.6	39	
	Stellar West				414	1.7	22	97	1.1	3	511	1.6	25	
	Welcome - Baxter	222	1.6	11	276	1.6	15	198	1.8	11	696	1.7	37	
	Total Open Pit deposits	708	2.0	46	20,292	1.9	1,211	12,907	1.5	617	33,146	1.8	1,874	
	Hill 50 Deeps	279	5.5	49	932	7.0	209	396	6.4	81	1,607	6.6	339	
	Morning Star Deeps				195	4.2	26	334	5.0	53	528	4.7	79	
	Saturn UG							1,607	2.5	127	1,607	2.5	127	
	Water Tank Hill UG				229	6.6	49	89	4.9	14	318	6.1	63	
	Total UG deposits	279	5.5	49	1,355	6.5	284	2,426	3.5	275	4,060	4.7	608	
	Mt Magnet stockpiles	594	1.2	23		-			-		594	1.2	23	
			Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
		Mt Magnet Total	1.6	2.3	118	21.6	2.1	1,495	15.3	1.8	892	37.8	2.1	2,505
Edna May	Edna May				20.9	1.0	657	5.1	0.8	136	26.0	0.9	793	
	Greenfinch				2.7	1.1	94	1.7	1.1	60	4.4	1.1	154	
	Edna May Total				23.6	1.0	751	6.8	0.9	196	30.4	1.0	947	
WQ Coogee Vivien KV	Other Projects	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz	
	Western Queen South				104	3.6	12	81	3.4	9	185	3.5	21	
	Coogee				31	3.6	4	65	3.3	7	96	3.4	11	
	Vivien	82	11.3	30	530	6.7	114	174	5.5	31	785	6.9	175	
	Kathleen Valley				222	3.4	24	523	2.5	42	745	2.8	66	
	Other Projects Total	82	11.4	30	886	5.4	154	844	3.3	89	1,812	4.7	273	
		Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz	
Total Resources		1.7	2.8	148	46.1	1.6	2,400	23.0	1.6	1,177	70.0	1.7	3,725	

Note: Deposits rounded to nearest Kt, 0.1g/t and 1000 ounces. Edna May and Totals rounded to Mt. Differences may occur due to rounding.

ORE RESERVE STATEMENT AS AT 30 JUNE 2017 & FY2018 ADDITIONS										
Site	Deposit	Proven			Probable			Total Reserve		
		kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Mt Magnet	Galaxy Pits									
	Titan	8	1.6	-	213	1.5	11	221	1.5	11
	Brown Hill				623	1.6	31	623	1.6	31
	Brown Hill North				18	2.6	2	18	2.6	2
	Vegas				192	1.4	8	192	1.4	8
	Cosmos Pits									
	Milky Way				1,836	1.3	77	1,836	1.3	77
	Stellar				388	1.5	19	388	1.5	19
	Stellar West				267	1.8	15	267	1.8	15
	Shannon				208	2.9	20	208	2.9	20
	Morning Star Pit									
	Morning Star				1,099	1.9	68	1,099	1.9	68
	Satellite Pits									
	Boomer				132	2.9	12	132	2.9	12
	Lone Pine				258	1.8	15	258	1.8	15
	O'Meara				46	3.4	5	46	3.4	5
	Golden Stream				95	3.0	9	95	3.0	9
	Underground									
	Hill 60				209	3.5	24	209	3.5	24
	Shannon				324	5.2	54	324	5.2	54
Water Tank Hill				167	6.5	34	167	6.5	34	
Stockpiles		594	1.2	23				594	1.2	23
	Mt Magnet Total	602	1.2	23	6,074	2.1	404	6,676	2.0	427
Vivien	Vivien Underground				440	7.3	103	440	7.3	103
		Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
Edna	Greenfinch				1.7	1.2	62	1.7	1.1	62
May	Edna May Total				1.7	1.1	62	1.7	1.1	62
		Mt	g/t	koz	Mt	g/t	koz	Mt	g/t	koz
Total Reserves		0.6	1.2	23	8.2	2.2	569	8.8	2.1	592

Note: Deposits rounded to nearest Kt, 0.1g/t and 1000 ounces. Edna May and Total rounded to Mt. Differences may occur due to rounding.

4.5 Ramelius Directors

Brief profiles of the Ramelius Directors are as follows.

(a) Kevin James Lines

Independent Non-Executive Chairman

Mr Lines has extensive experience in mineral exploration and mining for gold, copper, lead, zinc and tin and has been a director since 2008. Mr Lines brings to the Ramelius Board his extensive experience in the assessment and evaluation of exploration projects and development of properties and mining operations within Australia and overseas.

Mr Lines is Chairman of the Due Diligence Committee and member of the Audit and Risk Committee and Nomination and Remuneration Committee.

(b) Mark William Zeptner

Managing Director

Mr Zeptner has more than 25 years' industry experience including senior operational and management positions with WMC and Gold Fields Limited at their major gold and nickel assets in Australia and offshore.

Mr Zeptner joined Ramelius Resources Limited on 1 March 2012 as the Chief Operating Officer and was appointed as Chief Executive Officer on 11 June 2014. Mr Zeptner was appointed as Managing Director of Ramelius effective from 1 July 2015.

(c) **Michael Andrew Bohm**

Independent Non-Executive Director

Mr Bohm is a graduate of the WA School of Mines and has been a director since 2012. Mr Bohm brings to the Ramelius Board his extensive experience as a mining professional with extensive corporate and operational management skills in the minerals industry in Australia, South East Asia, Africa, Chile, Canada and Europe.

Mr Bohm is Chairman of the Nomination and Remuneration Committee and member of the Audit and Risk Committee.

(d) **David Clifford Southam**

Independent Non-Executive Director

Mr Southam is a Certified Practising Accountant with more than 25 years' experience in accounting, capital markets and finance across the resources and industrial sectors. Mr Southam has been intimately involved in several large project financings in multiple jurisdictions and has completed significant capital market and Merger and Acquisition transactions.

Mr Southam is Chairman of the Audit and Risk Committee and a member of the Nomination and Remuneration Committee.

4.6 Ramelius Senior Management

Brief profiles of the senior management team of Ramelius as at the date of this Bidder's Statement are as follows.

(a) **Mark William Zeptner**

Managing Director

See section 4.5(b) of this Bidder's Statement.

(b) **Tim Manners**

Chief Financial Officer

Mr Manners is a finance professional with over 25 years' experience in accounting, corporate finance and financial management functions in the resources industry. Mr Manners has been involved in exploration, developing and producing companies both in Australia and overseas.

Mr Manners has held the senior financial position in companies within the precious, base and bulk commodities sectors, including Gold Road Resources Ltd, Phoenix Gold Ltd, Bathurst Resources Ltd and Perilya Ltd. Mr Manners joined Ramelius in July 2017 and is a Fellow of the Institute of Chartered Accountants in Australia and New Zealand.

(c) **Duncan Coutts**

Chief Operating Officer

Mr Coutts is a qualified mining engineer with more than 20 years resource industry experience. He holds a Bachelor of Engineering (Hons) in Mining Engineering from the Western Australian School of Mines in Kalgoorlie. Recently he has been providing technical and operational consulting services to iron ore and gold focused mining companies. Prior to this consulting work, Duncan was CEO of the privately owned iron ore producer Kimberley Metals Group, located in the Kimberley region of Western Australia.

Mr Coutts has also held positions of General Manager – Development with ASX listed Galaxy Resources Ltd, Chief Development Officer with ASX listed Metals X Ltd, and Chief Operating Officer for Harmony Gold Australia where he was responsible for the management and project development of operations in Western Australia, Northern Territory and Papua New Guinea.

(d) **Kevin Seymour**

General Manager Exploration

Mr Seymour graduated with a BSc (Geology) from UWA in 1984 and has over 30 years' experience in mineral exploration spanning Australia, North America, Argentina and the Pacific Islands. He has held Principal Exploration Geologist positions with Ashton Gold, Delta Gold and Sons of Gwalia before becoming Exploration Manager of Glengarry Resources in 2004 and General Manager of Exploration for Ramelius Resources in 2009.

Highlights throughout his career include being an integral team member for the discovery of Delta Gold's Lady Ida Operations and the high grade Mulgarrie gold mine north of Kanowna Belle.

During his time at Sons of Gwalia Kevin worked on the now fully operational Gwalia Deeps Gold Project at Leonora and more recently with Ramelius has successfully led the exploration and acquisition team that has helped revitalise the fortunes of the Company's flagship Mt Magnet Gold Operations.

(e) **Domenico Antonio Francese**

Company Secretary

Mr Francese is a Chartered Accountant with an audit and investigations background and more than 12 years' experience in a regulatory and supervisory role with ASX. He has been employed by Ramelius Resources Limited since 1 April 2003 and was the inaugural Chief Financial Officer until 1 November 2015. Mr Francese is a Fellow of Finsia, the Governance Institute of Australia and the Chartered Institute of Secretaries.

4.7 Historical financial information

The historical financial information set out below for Ramelius is extracted from Ramelius' full year financial statements as at 30 June 2018, 30 June 2017 and 30 June 2016. These financial statements were audited by Grant Thornton who issued an unqualified audit opinion. A copy of Ramelius' financial statements can be found on its website: www.rameliusresources.com.au

The historical financial information in respect of Ramelius has been prepared in accordance with the recognition and measurement principles of the Australian Accounting Standards, and in accordance with its accounting policies, as set out in the financial reports of Ramelius for the full year ended 30 June 2018, 30 June 2017 and 30 June 2016.

Group key metrics for the period ended	12 months ending 30 June 2018	12 Months ending 30 June 2017	12 Months ending 30 June 2016
Gold production (Oz)	208,118	125,488	110,839
Gold sales (A\$'000)	\$340,957	\$197,012	\$173,453
AISC (A\$/Oz)	\$1,191	\$1,169	\$1,157

Financial Position for the period ended	30 June 2018 A\$'000 (Audited)	30 June 2017 A\$'000 (Audited)	30 June 2016 A\$'000 (Audited)
Cash	75,028	78,567	44,272
Inventories	58,086	29,231	18,947
Property, plant, and equipment	51,122	19,239	20,539
Mine development	84,728	53,455	60,634
Exploration assets	19,317	19,101	7,784

Financial Position for the period ended	30 June 2018 A\$'000 (Audited)	30 June 2017 A\$'000 (Audited)	30 June 2016 A\$'000 (Audited)
Deferred tax assets	26,947	30,944	35,410
Other assets	6,706	4,795	6,660
Total assets	321,934	235,332	194,246
Trade and other payables	31,796	22,398	22,255
Rehabilitation provisions	42,489	20,914	22,876
Contingent consideration	12,892	-	-
Deferred tax liabilities	26,030	18,989	16,605
Other liabilities	6,755	3,229	4,922
Total liabilities	119,962	65,530	66,658
Net assets	201,972	169,802	127,588
Total shareholder equity	201,972	169,802	127,588

4.8 Publicly available information about Ramelius

Ramelius is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Ramelius is subject to the Listing Rules which require continuous disclosure of any information Ramelius has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

As Ramelius is offering Ramelius Shares as part of the Offer Consideration for the acquisition of Explaurum Shares under the Takeover Bid, the Corporations Act requires that this Bidder's Statement must include all material that would be required for a prospectus for an offer of Ramelius Shares under sections 710 to 713 of the Corporations Act.

By virtue of section 710 of the Corporations Act, this Bidder's Statement is required to contain all the information investors and their professional advisers would reasonably require to make an informed assessment of:

- (a) the rights and liabilities attaching to the Ramelius Shares to be issued pursuant to the Takeover Bid; and
- (b) the assets and liabilities, financial position and performance, profits and losses and prospects of Ramelius.

A summary of the rights and liabilities attaching to Ramelius Shares is set out in section 5.4 of this Bidder's Statement.

Ramelius' annual financial report to shareholders for the year ended 30 June 2018 was lodged with ASIC and ASX on 30 August 2018 (**Annual Financial Report**). The Annual Financial Report includes the directors' report, remuneration report and auditor's independence declaration, statements of comprehensive income, financial position, changes in equity and cash flows, comprehensive notes to the financial statements and an independent auditor's report.

Pursuant to section 712 of the Corporations Act, this Bidder's Statement incorporates by reference the Annual Financial Report and all continuous disclosure notices given by Ramelius to the ASX since 30 August 2018. A list of continuous disclosure notices given by Ramelius to the ASX since 30 August 2018 is set out in Attachment 2.

Explaurum Shareholders may call the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST) to obtain a copy, free of charge during the bid period and within 2 business days of the request, of:

- (a) the most recent annual financial report lodged with ASIC by Ramelius before lodgement of this Bidder's Statement with ASIC;
- (b) any half-year financial report lodged with ASIC by Ramelius after the lodgement of that annual financial report for Ramelius referred to above and before lodgement of this Bidder's Statement with ASIC; and
- (c) any continuous disclosure notice given to ASX by Ramelius since the lodgement with ASIC of that annual financial report for Ramelius referred to above and before lodgement of this Bidder's Statement with ASIC.

ASX maintains files containing publicly disclosed information about all listed companies. Ramelius' file is available for inspection at ASX during normal business hours.

In addition, Ramelius is also required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Ramelius may be obtained from, or inspected at, an ASIC office.

A substantial amount of information about Ramelius is available in electronic form from www.rameliusresources.com.au

There is no other information, other than as set out elsewhere in this Bidder's Statement, which investors or their professional advisers would reasonably require for the purpose of making an informed assessment of:

- (a) the rights and liabilities attaching to the Ramelius Shares to be issued pursuant to the Takeover Bid; or
- (b) the assets and liabilities, financial position and performance, profits and losses and prospects of Ramelius.

This Bidder's Statement contains details specific to the issue of Ramelius Shares. If Explaurum Shareholders require further information in relation to Ramelius, Ramelius recommends that they take advantage of the ability to inspect or obtain copies of the documents referred to above.

4.9 Corporate governance

The Ramelius Board aims to provide accountability levels that meet or exceed the ASX Corporate Governance Council's Principles for Good Corporate Governance and Best Practice Recommendations.

Details on Ramelius' corporate governance procedures, policies and practices can be obtained at Ramelius' website www.rameliusresources.com.au

4.10 Announcement by Ramelius in relation to the Offer

On 10 September 2018, Ramelius made a public announcement to ASX in relation to the Offer. A copy of that announcement is contained in Attachment 1 of this Bidder's Statement.

5. INFORMATION ON RAMELIUS' SECURITIES

5.1 Ramelius issued securities

As at the date of this Bidder's Statement, Ramelius' issued securities consist of:

- (a) 528,509,008 Ramelius Shares;
- (b) 3,000,000 Ramelius Options; and
- (c) 9,261,551 Ramelius Performance Rights.

5.2 Recent trading of Ramelius Shares

The latest recorded sale price of Ramelius Shares on ASX before the Announcement Date was A\$0.470 as at close of trading on ASX on 7 September 2018.

The latest recorded sale price of Ramelius Shares on ASX before the date on which this Bidder's Statement was lodged with ASIC was A\$0.470.

The highest recorded sale price of Ramelius Shares on ASX in the last 4 months before this Bidder's Statement was lodged with ASIC was A\$0.645.

The lowest recorded sale price of Ramelius Shares on ASX in the last 4 months before this Bidder's Statement was lodged with ASIC was A\$0.452.

The following chart shows the last sale price of Ramelius Shares on ASX in the 12 months prior to the Announcement Date.

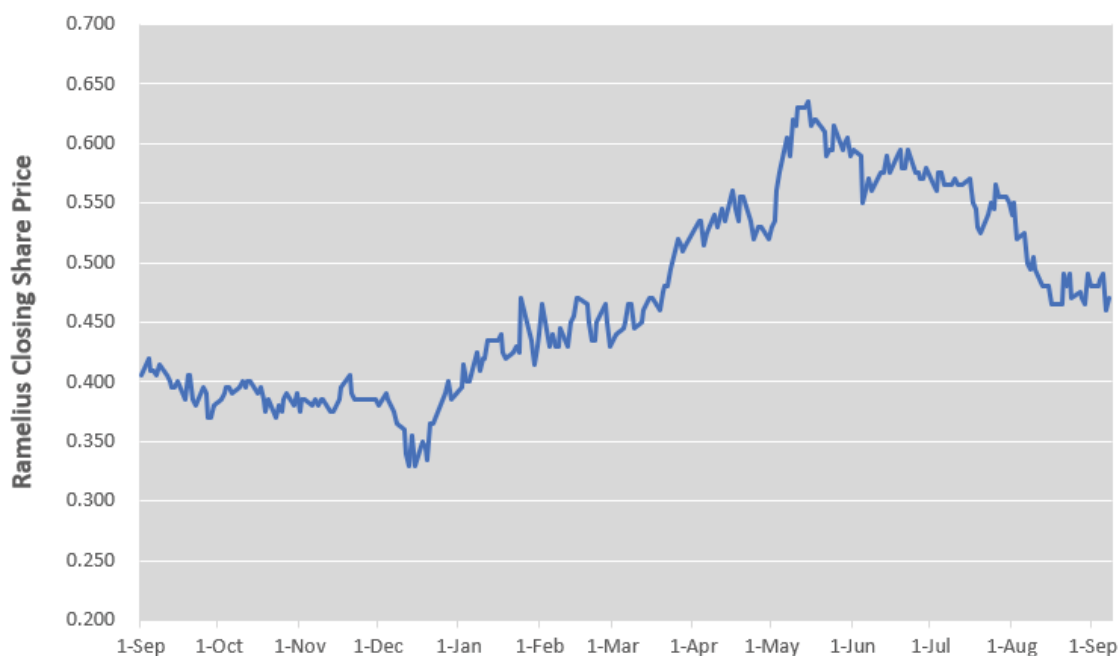


Figure 5.2.1: RMS 12 month share price history

5.3 Dividend history

Ramelius does not currently pay dividends and has not paid any dividends in the past five years. Dividends may be payable on Ramelius Shares in the future at the discretion of the directors and subject to the Corporations Act.

5.4 Rights and liabilities attaching to Ramelius Shares

(a) Introduction

The Ramelius Shares issued as part of the Offer Consideration under the Offer will be issued fully paid and will rank equally for dividends and other rights in all respects with all existing Ramelius Shares from the date of issue.

Ramelius will apply for the Ramelius Shares to be issued under the Offer to be quoted on the ASX within 7 days after the date of this Bidder's Statement. Quotation of these Ramelius Shares will not be automatic but will depend on the ASX exercising its discretion. However, as Ramelius is already admitted to the official list of the ASX and Ramelius Shares in the same class as to those to be issued under the Offer are already quoted, Ramelius believes quotation of the new Ramelius Shares will be granted. In accordance with the Corporations Act, the quotation of the Ramelius Shares to be issued under the Offer is a condition to the Offer under section 12.11 of this Bidder's Statement.

Since the Ramelius Shares issued as part of the Offer Consideration under the Offer will be issued credited as fully paid, no monetary liability attaches to them.

The rights and liabilities attaching to the Ramelius Shares which will be issued as part of the Offer Consideration under the Offer are set out in Ramelius' constitution (**Ramelius Constitution**) and in the Corporations Act. Under section 140(1) of the Corporations Act, the Ramelius Constitution has effect as a contract between Ramelius and each member and between a member of Ramelius and each other member. Accordingly, if you accept the Offer and are issued Ramelius Shares you will, as a result, become liable to comply with the Ramelius Constitution.

The main rights and liabilities attaching to the Ramelius Shares are summarised below. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Ramelius Shareholders.

(b) General Meeting

Each member is entitled to receive notice of, and to attend and vote at, general meetings of Ramelius and to receive all notices, accounts and other documents required to be sent to members under the Ramelius Constitution, the Corporations Act or the Listing Rules.

(c) Voting

Subject to any rights or restrictions for the time being attached to any class or classes of shares whether by the terms of their issue, the Ramelius Constitution, the Corporations Act or the ASX Listing Rules, at a general meeting of Ramelius every holder of fully paid ordinary shares present in person or by a representative, proxy or attorney has one vote on a show of hands and every such holder present in person or by a representative, proxy or attorney has one vote per share on a poll. A person who holds an ordinary share which is not fully paid is entitled, on a poll, to a fraction of a vote equal to the proportion which the amount paid bears to the total issue price of the share. A member is not entitled to vote unless all calls and other sums presently payable by the member in respect of shares in Ramelius have been paid. Where there are two or more joint holders of the share and more than one of them is present at a meeting and tenders a vote in respect of the share (whether in person or by proxy or attorney), Ramelius will count only the vote cast by the member whose name appears before the other(s) in Ramelius' register of members.

(d) Issues of Further Shares

The Directors may, on behalf of Ramelius, issue, grant options over or otherwise dispose of unissued shares to any person on the terms, with the rights, and at the times that the Directors decide. However, the Directors must act in accordance with the restrictions imposed by the Ramelius Constitution, the ASX Listing Rules, the Corporations Act and any rights for the time being attached to the shares in special classes of shares.

(e) **Variation of Rights**

At present, Ramelius only has only one class of shares on issue, namely ordinary shares. The rights attached to the shares in any class may be altered only by a special resolution of Ramelius and a special resolution passed at a separate meeting of the holders of the issued shares of the affected class, or with the written consent of the holders of at least three quarters of the issued shares of the affected class.

(f) **Transfer of Shares**

Subject to the Ramelius Constitution, the Corporations Act, the ASX Settlement Operating Rules and the ASX Listing Rules, ordinary shares are freely transferable. The shares may be transferred by a proper transfer effected in accordance with ASX Settlement Operating Rules, by any other method of transferring or dealing introduced by ASX and as otherwise permitted by the Corporations Act or by a written instrument of transfer in any usual form or in any other form approved by the Directors that is permitted by the Corporations Act. Ramelius may decline to register a transfer of shares in the circumstances described in the Ramelius Constitution and where permitted to do so under the ASX Listing Rules. If Ramelius declines to register a transfer, Ramelius must give the lodging party written notice of the refusal and the reasons for refusal. The Ramelius Directors must decline to register a transfer of shares when required by law, by the ASX Listing Rules or by the ASX Settlement Operating Rules.

(g) **Partly Paid Shares**

The Ramelius Directors may, subject to compliance with the Ramelius Constitution, the Corporations Act and the ASX Listing Rules, issue partly paid shares upon which amounts are or may become payable at a future time(s) in satisfaction of all or part of the unpaid issue price.

(h) **Dividends**

Subject to the Corporations Act, the Ramelius Directors may determine that a dividend is payable and fix the amount, the time for payment and the method of payment. If the Ramelius Directors do not exercise their power to declare and pay dividends, Ramelius in a general meeting may resolve to do so. Dividends may be paid on shares of one class but not another and at different rates for difference classes. Subject to the rights of members entitled to shares with special rights as to dividend (if any), all dividends in respect of shares (including ordinary shares) are to be declared and paid proportionally to the amount paid up or credited as paid up on the shares.

(i) **Winding Up**

Subject to the rights of holders of shares with special rights in a winding up, if Ramelius is wound up, members (including holders of ordinary shares) will be entitled to participate in any surplus assets of Ramelius in proportion to the amounts paid on their respective shares before the winding up began.

(j) **Dividend Plans**

The Ramelius Directors may establish and maintain dividend plans under which (among other things) a member may elect that dividends payable by Ramelius be reinvested by way of subscription for shares in Ramelius or a member may elect to forego any dividends that may be payable on all or some of the shares held by that member and to receive instead some other entitlement, including the issue of shares.

(k) **Directors**

The Company's Constitution states that the minimum number of Ramelius Directors is three.

(l) **Powers of the Board**

The Ramelius Directors have power to manage the business of the Company and may exercise that power to the exclusion of the members, except as otherwise required by the Corporations Act, any other law, the ASX Listing Rules or the Ramelius Constitution.

5.5 Ramelius Options

Each Ramelius option confers on its holder the right to subscribe for one Ramelius Share at a specified exercise price and subject to specified vesting conditions (**Ramelius Options**).

Number of Ramelius Options	Exercise Price	Expiry date	Details of issue	Currently exercisable
1,500,000	\$0.20	11 June 2019	Options vesting on 11 June 2017	Yes
1,500,000	\$0.20	11 June 2020	Options vesting on 11 June 2018	Yes

5.6 Ramelius Performance Rights

Each Ramelius performance right confers on its holder the right to acquire one Ramelius Share for a nil subscription price subject to certain vesting conditions (**Ramelius Performance Rights**). The Ramelius Performance Rights are subject to the terms and conditions of Ramelius' Performance Rights Plan. Ramelius Performance Rights are subject to vesting conditions related to the achievement of total shareholder returns (**TSR**) and period of service. Ramelius TSR performance is measured against the TSR of a benchmark peer group and the proportion of Performance Rights that vest is dependent on how Ramelius' TSR compares to the peer group.

Details of the existing Ramelius Performance Rights are as follows:

Number of Ramelius Performance Rights	Vesting Date	Expiry
701,688	Vested	1 July 2024
715,432	Vested	1 July 2025
500,000	11 June 2019	11 June 2026
858,442	1 July 2019	1 July 2026
3,982,333	1 July 2020	1 July 2027
2,503,656	1 July 2021	1 July 2028

5.7 Ramelius Directors' interests in Ramelius securities

As at the date of this Bidder's Statement, the Ramelius Directors have the following Relevant Interests in Ramelius securities:

Director	Ramelius securities
Kevin James Lines	1,000,000 Ramelius Shares
Mark William Zeptner	3,012,500 Ramelius Shares 1,500,000 Ramelius Options exercisable at \$0.20 expiring 11 June 2019 1,500,000 Ramelius Options vesting on 11 June 2018 at \$0.20 expiring 11 June 2020 500,000 Ramelius Performance Rights vesting on 11 June 2019 and expiring on 11 June 2026
Michael Andrew Bohm	1,237,500 Ramelius Shares
David Clifford Southam	-

5.8 Substantial holders in Ramelius Shares

As at the close of trading on 7 September 2018, Ramelius has been notified that the following persons have a Substantial Holding of 5%, or more, in Ramelius Shares:

Substantial holder	Person's votes	Voting Power
Ruffer LLP	48,859,300 Shares	9.24%
Van Eck Associates Corporation (and associates)	36,614,638 Shares	6.93%

6. PROFILE OF EXPLAURUM AND EXPLAURUM GROUP

6.1 Overview of Explaurum

Explaurum is an Australian mining, exploration and development company listed on the ASX under the code “EXU”.

Explaurum’s principal asset is the Tampia Hill project located in the wheat belt of Western Australia, approximately 240km east of Perth (**Tampia Hill Project**). The Company owns a 90% interest in two mining leases and a surrounding exploration licence through a joint venture, plus a 100% interest in eight additional exploration licences that complement the original tenure.

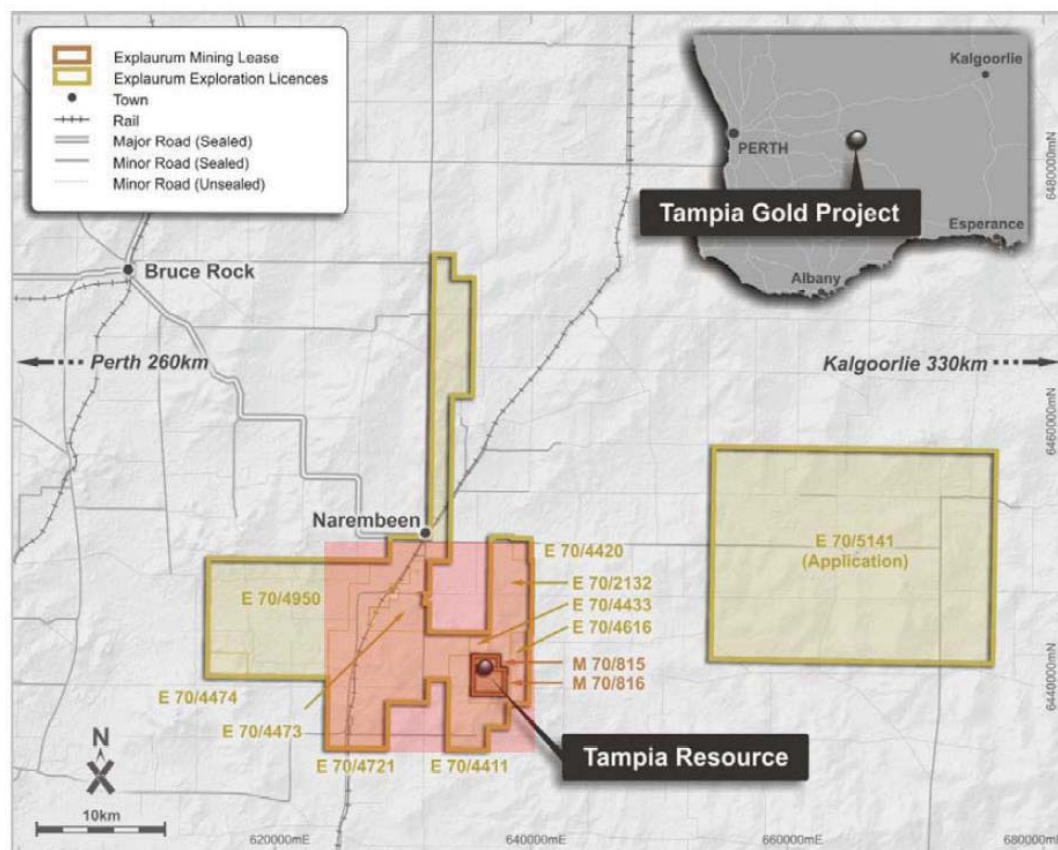


Figure 6.1.1: Overview of Tampia Project Leases

6.2 Explaurum’s Mineral Resources and Ore Reserves

The following Mineral Resource and Ore Reserve Statement is from the public announcement made by Explaurum on 30 May 2018.

Mineral Resource estimate	Tonnes (t)	Au Grade (g/t)	Contained Au (Oz)
Indicated	9,800,000	1.8	580,000
Inferred	2,000,000	1.6	90,000
TOTAL	11,700,000	1.8	675,000
Ore Reserve estimate	Tonnes (t)	Au Grade (g/t)	Contained Au (Oz)
Probable	7,230,000	2.09	485,000

6.3 Explaurum's Feasibility Study Results

The results of the Tampia Hill Project's feasibility study (**Feasibility Study**) was released by Explaurum to the ASX on 30 May 2018. The information set out below is based on the ASX release dated 30 May 2018.

The Feasibility Study was based on a Mineral Resource of 11.7 million tonnes at 1.79 g/t Au for a total Resource of 675,000 oz gold, classified and reported in accordance with the JORC Code (2012). The Tampia Hill Project has an initial mine life of 5.3 years.

Inferred Mineral Resources occurring at surface and within the pit design have been excluded from the Mineral Reserve estimate but included in the Production Target and financial assessment. The Production Target is 8.0 Mt at 2.07 g/t Au for 534,000 ounces of gold mined.

The Tampia Hill Project comprises a single open pit, within close proximity to the proposed plant site. The open pit mining operations are to be conducted by Explaurum using a dry hire equipment contract and a drill and blast contractor.

The proposed process plant infrastructure will be designed and built on an engineering, procurement and construction management (EPCM) basis. It is based on a conventional SAG milling, gravity, flotation with concentrate ultra-fine grinding (UFG) and enhanced leach, and carbon in leach (CIL) processing with a nominal throughput capacity of 1.5Mtpa.

The Tampia gold mineralisation is in three forms⁹:

- (a) free gold (constituting approximately 15-30% of the total) with >95% recovery;
- (b) sulphide associated gold (constituting approximately 60-70% of the total) with a process recovery between 92% - 94%; and
- (c) löllingite associated gold (constituting approximately 5-15% of the total). Löllingite associated gold mineralisation has the poorest recoveries at approximately 80%.

From the Feasibility Study work the fresh ore geo-metallurgical model of Au:As verses gold recovery produced an average fresh ore recovery of 91.4%. Much variability exists within the fresh mineralisation with high Au:As zones (ie high gold + low arsenic values) displaying high gold recoveries via gravity/CIL alone whereas lower Au:As zones (ie lower gold assays + high arsenic values) display lower recoveries.

Mining and process plans have been structured to maximise the gold recoveries during the first two years of operations by preferentially mining and treating higher gold recovery weathered (oxidised) ore and high-recovery fresh ore.

The initial capital cost was estimated to be A\$118.5 million (±15%), including a contingency estimate of A\$10.8 million. This is a 13% uplift from the November 2017 Scoping Study.

The Tampia Hill Project life-of-mine (LOM) AISC is forecast at A\$998/oz of gold.

At a base case gold price of A\$1,650/oz and using an 8% discount rate, the project generates a post-tax net present value of A\$92 million.

CAPITAL COST

Initial Capital Cost

The capital cost estimate represents costs for the overall Tampia Hill Project development. The estimate includes direct costs for mine development, the process plant, non-process infrastructure and indirect costs associated with contractors, Explaurum's team and pre-production operations.

The total estimated capital cost is approximately A\$118.5 million including a contingency of A\$10.8 million. The forecast total capital expenditure (Capex) does not include potential escalation to project completion, currently proposed to be December quarter 2019.

At the time the Feasibility was published there had not been an audit of the capital cost estimate undertaken.

⁹ See Explaurum's announcement to ASX on 6 November 2017.

Sustaining Capital Cost

The sustaining capital expenditure estimate represents cost expended to sustain or maintain the capital assets to perform to the Project design criteria through the LOM. The Feasibility Study estimate of A\$8 million is similar to the Scoping Study estimate of A\$9 million.

Exploration

Prior to 2016 most exploration activity was focussed on the Tampia Resource (as defined in the Feasibility Study) area and was driven by surface geochemistry, with little understanding of geological controls. In April 2016 ground gravity surveying identified a bullseye anomaly coincident with the known Tampia deposit.

In May 2017 a 400km² airborne gravity and magnetic survey of the district identified 3 major new targets and 21 secondary targets. All targets are discrete gravity anomalies interpreted as mafic gneiss bodies (Tampia host) prospective for gold mineralisation, with similar geophysical signature to the Tampia deposit.

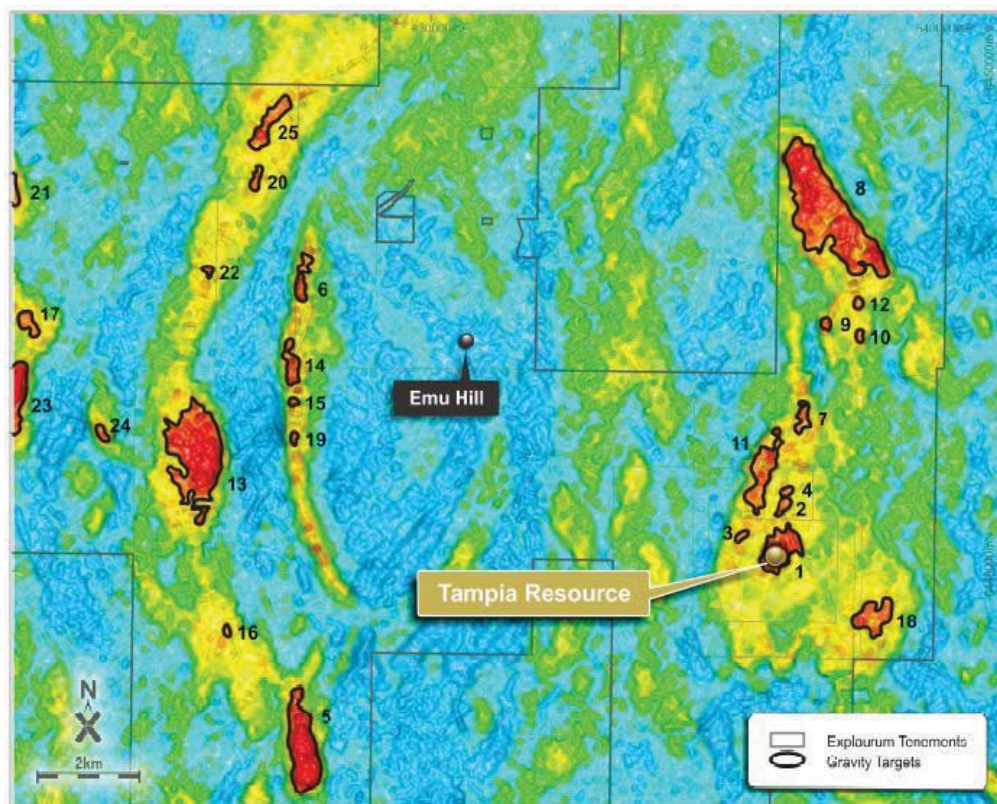


Figure 6.3.1: Gravity Survey Mapping showing Tampia Hill Project and 24 further targets

Many of these gravity targets have now been converted to gold-in-soil anomalies. The eastern greenstone belt (includes the Tampia Resource) has confirmed gold soil anomalies over an area 10km long and 4km wide, open both to the north and south.

The Company has recently published drilling results for the Mace supergene zone which extends from the southwestern margin of the proposed Tampia open pit¹⁰.

¹⁰ See Explaurum's announcement to ASX on 7 September 2018.

6.4 Explaurum Directors

The Explaurum Directors as at the date of this Bidder's Statement are as follows.

- (a) Christopher Baker (Non-Executive Chairman);
- (b) Jeffrey John Lawton (Managing Director and CEO); and
- (c) Stephen Stroud (Non-Executive Director).

6.5 Publicly available information about the Explaurum Group

Explaurum is a listed disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations. Specifically, as a listed company, Explaurum is subject to the Listing Rules which require continuous disclosure of any information Explaurum has concerning it that a reasonable person would expect to have a material effect on the price or value of its securities.

ASX maintains files containing publicly disclosed information about all listed companies. The Explaurum file is available for inspection at ASX during normal business hours.

In addition, Explaurum is required to lodge various documents with ASIC. Copies of documents lodged with ASIC by Explaurum may be obtained from, or inspected at, an ASIC office.

This section 6 includes statements which have been made in, or based on statements made in, documents lodged by Explaurum with ASIC or given to ASX. Under the terms of ASIC Class Order 13/521, Explaurum is not required to consent to, and has not consented to, the inclusion of these 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 bid period and within 2 business days of the request, please contact the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST). Calls to these numbers may be recorded.

Further information relating to Explaurum may also be included in Explaurum's Target's Statement. In addition, a substantial amount of information about Explaurum is available in electronic form from: www.explaurum.com.au

7. INFORMATION ON EXPLAURUM'S SECURITIES

7.1 Explaurum's issued securities

According to documents provided by Explaurum to ASX, as at the date of this Bidder's Statement, Explaurum's issued securities consisted of¹¹:

- (a) 481,412,320 Explaurum Shares;
- (b) 22,575,116 Explaurum Options; and
- (c) 19,000,000 Explaurum Performance Rights.

7.2 Explaurum Options

The Explaurum Options comprise of:

Number of Explaurum Options	Exercise Price	Expiry date
8,000,000 unlisted options	\$0.098	22 September 2019
14,216,421 unlisted options	\$0.070	10 November 2020
358,695 unlisted options	\$0.096	17 May 2021

Rameliuss has not been provided with a copy of Explaurum's Share Option Plan and the following comments are based on publicly available information.

(a) Details of Explaurum Options

According to documents provided by Explaurum to ASX, the Explaurum Options were issued in accordance with Explaurum's Employee Share Option Plan (as approved by shareholders on 9 November 2016).

(b) Treatment of Explaurum Options under the Offer

Explaurum Optionholders may exercise their Explaurum Options and accept the Offer in respect of the Explaurum Shares issued.

Rameliuss is not offering to acquire the Explaurum Options under the Offer and will not make any separate offers to acquire the Explaurum Options.

The Offer will extend to Explaurum Shares issued on the exercise of Explaurum Options after the Register Date but before the end of the Offer Period, provided those Explaurum Options were on issue as at the Register Date.

7.3 Explaurum Performance Rights

The Explaurum Performance Rights comprise of:

Number of Explaurum Performance Rights	Vesting Condition	Expiry date
3,800,000	10-day VWAP of Explaurum Shares is at least \$0.25	10 November 2020
3,800,000	10-day VWAP of Explaurum Shares is at least \$0.35	10 November 2020
3,800,000	10-day VWAP of Explaurum Shares is at least \$0.45	10 November 2020

¹¹ See Explaurum's Appendix 3B released to the ASX on 3 September 2018.

Number of Explaurum Performance Rights	Vesting Condition	Expiry date
2,533,333	10-day VWAP of Explaurum Shares is at least \$0.25	16 March 2021
2,533,333	10-day VWAP of Explaurum Shares is at least \$0.35	16 March 2021
2,533,334	10-day VWAP of Explaurum Shares is at least \$0.45	16 March 2021

Rameliuss has not been provided with a copy of Explaurum's Performance Rights Plan.

Rameliuss is not offering to acquire the Explaurum Performance Rights.

The Offer will extend to Explaurum Shares issued as a result of the exercise of the Performance Rights before the end of the Offer Period, provided those Performance Rights were on issue as at the Register Date.

7.4 Substantial holders in Explaurum Shares

As at 7 September 2018, so far as is known to Rameliuss based on publicly available information lodged with ASX, the following persons have a Substantial Holding of 5%, or more, of Explaurum Shares:

Substantial holder	Persons votes	Voting power
West Trade Enterprises Pty Ltd	30,405,576	6.32%

7.5 Rameliuss' interests and dealings in Explaurum securities

(a) Rameliuss interests in Explaurum Shares

As at the date of this Bidder's Statement and the date of the Offer, Rameliuss does not have a Relevant Interest or voting power in any Explaurum Shares.

(b) Rameliuss dealings in Explaurum Shares

Neither Rameliuss nor any associate of Rameliuss has provided, or agreed to provide, consideration for an Explaurum Share under any purchase or agreement during the 4 months before the date of this Bidder's Statement.

7.6 Explaurum Directors' interests in Explaurum securities

So far as Rameliuss is aware based on publicly available information lodged on ASX, as at the date of this Bidder's Statement, the Explaurum Directors have the following interests in Explaurum securities.

Director	Class of security interest	Number	Nature of security interest
Christopher Baker	Explaurum Shares	1,458,831	210,831 Explaurum Shares held indirectly through Ms Dianne Rosina Baker. 1,248,000 Explaurum Shares held directly.
	Explaurum Options	1,208,955	Direct
	Explaurum Performance Rights	2,370,000	Direct

Director	Class of security interest	Number	Nature of security interest
Jeffrey John Lawton	Explaurum Shares	7,020,232	3,786,676 Explaurum Shares held indirectly through Peninsula Goldfields Pty Ltd. 3,233,556 Explaurum Shares held directly.
	Explaurum Options	6,156,717	Direct
	Explaurum Performance Rights	5,880,000	Direct
Stephen Stroud	Explaurum Shares	578,228	Explaurum Shares held indirectly through Accretion Capital Pty Ltd
	Explaurum Options	805,971	Direct
	Explaurum Performance Rights	3,150,000	Direct

7.7 Recent share price performance of Explaurum

The latest recorded sale price of Explaurum Shares on ASX before the Announcement Date was A\$0.074 as at close of trading on ASX on 7 September 2018.

The latest recorded sale price of Explaurum Shares on ASX on the date before this Bidder's Statement was lodged with ASIC was A\$0.074.

The following chart shows the last sale price of Explaurum Shares on ASX in the 12 months prior to the Announcement Date.

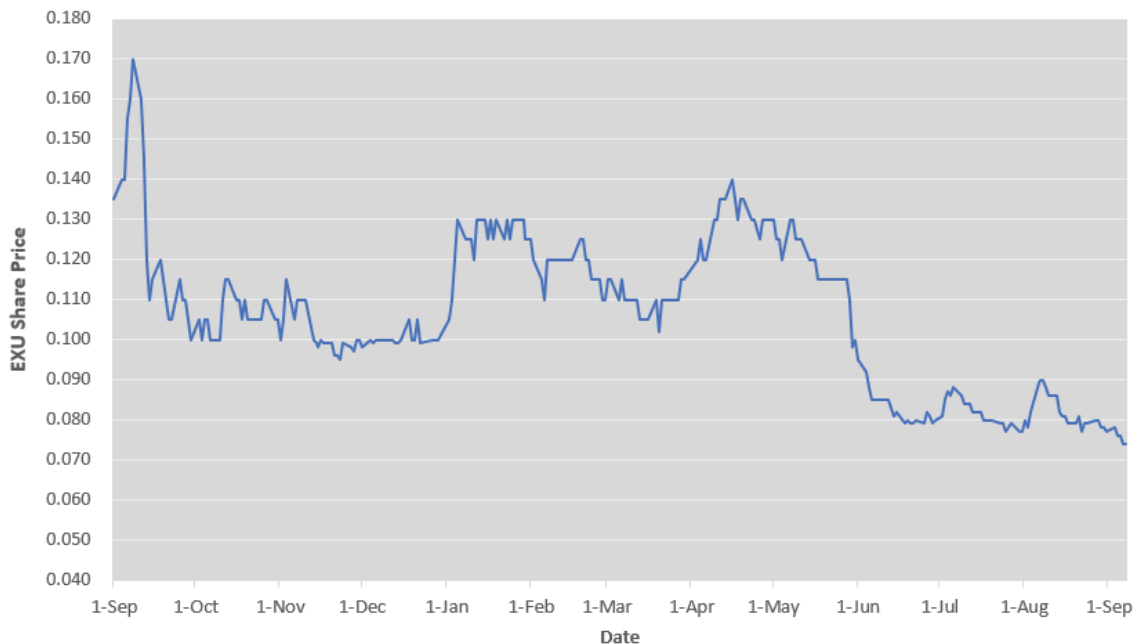


Figure 7.7.1: Explaurum 12 month share price history.

7.8 No pre-Offer benefits

During the period of 4 months before the date of this Bidder's Statement, neither Ramelius nor any associate of Ramelius gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

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

and which is not offered to all holders of Explaurum Shares under the Offer.

During the period from the date of this Bidder's Statement to the date before the date of the Offer, neither Ramelius nor any associate of Ramelius gave, or offered to give, or agreed to give a benefit to another person which was likely to induce the other person, or an associate of the other person, to:

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

and which is not offered to all holders of Explaurum Shares under the Offer.

7.9 No escalation agreements

Neither Ramelius nor any associate of Ramelius has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

8. RAMELIUS' INTENTIONS IN RELATION TO EXPLAURUM

8.1 Overview

Ramelius has not been able to conduct due diligence with respect to Explaurum. Consequently, this section 8 sets out the intentions of Ramelius for Explaurum on the basis of facts and public information concerning Explaurum which are known to Ramelius at the date of this Bidder's Statement. The statements set out in these sections are statements of current intention only and may vary as new information becomes available or circumstances change.

The following apply in relation to all of Ramelius' statements of intention.

- (a) Ramelius' current intentions are summarised in this Bidder's Statement. To the extent that any of the intentions set out in this Bidder's Statement change materially before the close of the Offer as a result of new information coming to the attention of Ramelius, Ramelius will, to the extent necessary make supplementary disclosure about such material change.
- (b) Ramelius has only reviewed public information concerning Explaurum. Accordingly, the Strategic Review referred to in this section 8 of this Bidder's Statement will be an important step in informing and determining Ramelius' approach to its investment in Explaurum, including the potential integration of the Tampia Hill Project into Ramelius' existing operations.
- (c) As there is no minimum acceptance condition to the Offer, Ramelius will not know the extent of its ultimate shareholding in Explaurum until the close of the Offer. This means that the precise circumstances surrounding Ramelius' ability to pursue the outcomes of the Strategic Review may not necessarily be known until the close of the Offer and are difficult to predict or pre-empt with any certainty at this stage.
- (d) The implementation of Ramelius' intentions in the event that Ramelius has a relevant interest in less than 100% of Explaurum Shares will be subject to the Corporations Act (including those provisions intended for the protection of minority shareholders), the Listing Rules, the Explaurum constitution and the statutory and fiduciary obligations of the Explaurum Directors at that time to act in the best interests of Explaurum and all Explaurum Shareholders, as well as the extent of Ramelius' representation on the Explaurum Board, and its shareholding at the relevant time. The extent of Ramelius' representation on the Explaurum Board together with its shareholding in Explaurum (at the close of the Offer) will determine the regulatory requirements for, and other practical matters associated with, implementing Ramelius' intentions.
- (e) Ramelius' ability, therefore, to achieve some of its intentions, including the potential integration of the Tampia Hill Project with the operations of Ramelius (including in particular the Edna May facilities), might not be able to be realised, either at all or without the approval of the Explaurum Board and potentially Explaurum Shareholders.
- (f) Ramelius and its associates may also be excluded from voting on certain resolutions in general meeting, and Ramelius' nominee directors may potentially be precluded from voting at Explaurum Board meetings, to the extent of any conflict of interest. Further, in circumstances where a minority shareholder maintains a "blocking stake" or other substantial holding in Explaurum which provides them with a significant proportion of the Explaurum shares which are not held by Ramelius, then that shareholder's ability to determine the outcome of any such resolutions put to Explaurum Shareholders in general meeting may be disproportionate to its holding (for example, where that shareholder's holding in Explaurum is such that they alone could determine whether a resolution is passed or not, in circumstances where Ramelius and its associates are excluded from voting on that resolution).
- (g) If the circumstances outlined in section 8.1(f) above eventuate, it may become possible that the potential benefits of developing the Tampia Hill Project in combination with and utilising the facilities at Edna May are not supported by the other Explaurum Directors and potentially

Explaurum Shareholders (other than Ramelius). This could delay the development of or potentially increase risks associated with the Tampia Hill Project on a standalone basis and, accordingly, the potential risks for minority Explaurum Shareholders. This potential outcome could apply for so long as any Explaurum Shareholder (other than Ramelius) maintains a “blocking stake” or a substantial shareholding in Explaurum. Ramelius is not able to predict what the sentiments of other Explaurum Directors or remaining Explaurum Shareholders may be in any given situation.

8.2 Strategic Review

Should Ramelius acquire control of Explaurum, it intends to undertake a strategic review of the Tampia Hill Project to determine how best to integrate the Tampia Hill Project into Ramelius’ existing operations, including Edna May (**Strategic Review**).

The conclusions and outcomes reached in the Strategic Review will inform Ramelius’ preferred approach to developing and operating the Tampia Hill Project. The outcome of the Strategic Review will be provided to the Explaurum Board, and any Ramelius nominee on the Explaurum Board will act in accordance with their duties and obligations.

The Strategic Review will consider the Tampia Feasibility Study and the economics of the Tampia Hill Project on a standalone basis relative to combining it with the Ramelius’ existing operations at Edna May including:

- (a) reviewing of the geological database to determine whether any additional infill drilling is required to improve the confidence in the resource prior to any financial investment decision;
- (b) undertaking a thorough metallurgical test work program to gain a better understanding of the distribution of the refractory ore and optimise the processing flow sheet accordingly;
- (c) fast tracking exploration on the newly discovered Mace area to determine, firstly, if an economic deposit exists and secondly how this may be best integrated into the broader regional development profile;
- (d) merging the broader Tampia Hill Project exploration program into the regional strategy already developed by Ramelius for the Westonia and Edna May areas;
- (e) considering the financial capacity of the merged entity to self-fund the development of Tampia Hill Project without the need for external debt or significant shareholder dilution;
- (f) assessing the financial merits of hauling Tampia ore to the Edna May processing facility rather than incur \$118.5 million in initial construction capital costs; and
- (g) investigating positive environmental and local community benefits of a smaller footprint from utilising production capacity at Edna May rather than constructing a new plant and associated infrastructure.

8.3 Employees and directors of Explaurum

Employees

As a result of implementing Ramelius’ intentions (as set out in this section and dependent on Ramelius’ shareholding in Explaurum at the time), it is possible that some employees, including those in senior management positions, may have their roles made redundant or the need for change in personnel identified. Any Explaurum employees impacted by the actions implemented by Ramelius will be treated in accordance with their contractual and other legal rights.

Explaurum Board

If any of Ramelius’ nominees are appointed to the Explaurum Board, Ramelius will use its reasonable endeavours to ensure that its nominees to the Explaurum Board comply with their obligations and duties under the Corporations Act, the ASX Listing Rules and Explaurum constitution. Consistent with these obligations and duties, Ramelius’ nominee directors may be potentially precluded from voting on resolutions before the Explaurum Board to the extent of any conflict of interest or material personal interest that arises in respect of the subject matter of those resolutions.

In a scenario where Ramelius controls Explaurum, but holds less than 100%, it would seek representation on the Explaurum Board. Necessarily, that objective may involve the replacement of some or all of the existing Explaurum Directors. The identity of any such existing Explaurum Directors would be determined at the relevant time.

The identity of the Ramelius nominees has not yet been determined but, it is expected that they will predominantly be drawn from the current directors and management of Ramelius.

8.4 Intentions if Ramelius acquires a relevant interest in 90% of more of Explaurum Shares

Set out below are Ramelius' intentions if Ramelius acquires a relevant interest in 90% or more of Explaurum Shares.

If during, or at the end of, the Offer Period:

- (a) Ramelius and its associates together have relevant interests in at least 90% (by number) of all the Explaurum Shares; and
- (b) Ramelius and its associates have acquired at least 75% (by number) of the Explaurum Shares for which the Offers are made under the Offer.

Ramelius will be entitled to compulsory acquire all outstanding Explaurum Shares and presently intends to do so. Following completion of such compulsory acquisition process, Explaurum would be a wholly-owned subsidiary of Ramelius and Ramelius would be entitled to exercise its rights as the sole shareholder of Explaurum.

Potential combination with Edna May Operations

Ramelius will investigate and if it is considered the optimum outcome, implement the development of the Tampia Hill Project by utilising the existing facilities at Edna May in line with Ramelius' Strategic Review. The final manner, extent and timing of such utilisation will be part of the Strategic Review.

Compulsory Acquisition of Explaurum Shares and removal from official list

If, as a result of the Offer, Ramelius becomes entitled to compulsorily acquire outstanding Explaurum Shares or securities convertible into Explaurum Shares under the Corporations Act, Ramelius presently intends to proceed with compulsory acquisition of those securities.

In circumstances where Ramelius becomes entitled to compulsorily acquire outstanding Explaurum Shares, Ramelius intends to procure that Explaurum is removed from the official list of ASX.

Explaurum Board

Ramelius intends to replace all members of the Explaurum Board with its own nominees. The identity of such nominee directors has not yet been finally determined, but it is expected they will be drawn from the current directors and management of Ramelius.

Future employment of Explaurum current employees

In the short-term, pending the outcome of the Strategic Review and except as specified otherwise in this section 8, Ramelius intends to retain the Explaurum employees who will continue to be responsible for the day-to-day management and operations of the Tampia Hill Project. Any administrative positions in the Queensland office will likely become redundant. Any Explaurum employees impacted by the actions implemented following the Strategic Review will be treated in accordance with their contractual and other legal rights.

While Ramelius intends to maintain Explaurum employees in the short-term, as part of its Strategic Review, Ramelius will assess the on-going operational needs of Explaurum. Should the Strategic Review result in the need for fewer Explaurum employees, Ramelius will seek to redeploy those Explaurum employees into other parts of the Ramelius business, where practicable.

8.5 Intentions for Explaurum as a part-owned controlled entity

Set out below are Ramelius' current intentions if, at the end of the Offer Period, Ramelius has a relevant interest of more than 50%, but less than 90%, of all of the Explaurum Shares.

Ramelius would have a controlling interest in Explaurum and will be actively involved in influencing the strategic direction of the business of Explaurum to the greatest extent that it is permitted by law.

If Ramelius acquires more than 50% of Explaurum Shares (but less than 90%), it will be able to determine alone the outcome of ordinary resolutions (in respect of which it is entitled to vote) and will be in a position to control the composition of the Explaurum Board. However, in these circumstances, the provisions of the Corporations Act, the Listing Rules, the Explaurum constitution and the statutory and fiduciary obligations of the Explaurum Directors will continue to apply and may constrain Ramelius' ability to realise the proposed outcomes of the Strategic Review. If Ramelius acquires at least 75% of Explaurum Shares (but less than 90%), it will also be able to determine the outcome of special resolutions (in respect of which it is entitled to vote). Such special resolutions could involve amendments to the Explaurum constitution or a change to company type. However, again, the shareholder protections mentioned above would continue to be applicable.

Potential combination with Edna May

Ramelius will investigate and if it is considered the optimum outcome, seek Explaurum Board and if required, Explaurum Shareholder approval to implement the development of the Tampia Hill Project by utilising the existing facilities at Edna May in line with Ramelius' Strategic Review. The final manner, extent and timing of such utilisation will be part of the Strategic Review.

Removal from official list

If Ramelius acquires a majority position in Explaurum but is not able to move to compulsory acquisition of the remaining Explaurum Shares and convertible securities, Ramelius intends to investigate the removal of Explaurum from the official list of ASX (if it becomes entitled to do so).

ASX Guidance Note 33 indicates that Explaurum Shareholder approval is not usually required for the removal of Explaurum from the official list of ASX where the usual conditions are satisfied.

The usual conditions include:

- (a) Ramelius' removal request follows a successful takeover bid but no later than one month after the close of the takeover bid;
- (b) Ramelius and its Related Bodies Corporate own or control at least 75% of Explaurum Shares;
- (c) there are fewer than 150 Explaurum Shareholders who have a holding of Explaurum Shares with a value of at least \$500 (excluding Ramelius and its Related Bodies Corporate); and
- (d) the Takeover Bid remains open for at least two weeks following Ramelius and its Related Bodies Corporate satisfying (b) above.

If the conditions contemplated above are satisfied, Ramelius may send a notice to all remaining Explaurum Shareholders advising them of the nominated time and date at which Explaurum would be removed from the official list of ASX, being a date not earlier than three months after the date the notice was given (**Removal Date**). This notice to remaining Explaurum Shareholders would also state that:

- (a) if the remaining Explaurum Shareholders wish to sell their Explaurum Shares on ASX, they must do so before the Removal Date; and
- (b) if the remaining Explaurum Shareholders do not sell their Explaurum Shares on ASX before the Removal Date, they will only be able to sell their Explaurum Shares off-market from that time.

Those remaining Explaurum Shareholders who do not sell their Explaurum Shares on ASX before the Removal Date would face risks associated with the potential reduced liquidity of an unlisted Explaurum Share.

If the conditions contemplated above are not met, Ramelius may still request that ASX remove Explaurum from the official list of ASX. ASX's guidance indicates that ASX's decision to act on Ramelius' request may be subject to the satisfaction of certain conditions. The ASX imposed conditions are to ensure that the interests of remaining Explaurum Shareholders are not unduly prejudiced by the removal and that trading in Explaurum Shares takes place in an orderly manner up to the date of its removal from the official list.

ASX's guidance also indicates that (in some cases) these conditions may include the approval of Explaurum Shareholders to the removal by way of an ordinary resolution. If Explaurum Shareholder approval is sought within 12 months after the end of the Offer Period, Ramelius and its Associates may be excluded from voting on the resolution approving the removal.

Explaurum Board

Ramelius intends to (subject to the formal requirements of the Corporations Act and of the Explaurum constitution) procure the appointment of a majority of Ramelius nominees to the Explaurum Board.

The identity of such nominee directors has not yet been finally determined, but it is expected that they will be predominantly drawn from the current directors and management of Ramelius.

Operations, assets and employees

Ramelius will seek to procure that Explaurum new board of directors implements the results of the Strategic Review to the extent possible and appropriate in the circumstances.

Further acquisition of Explaurum Shares

Any future purchases of Explaurum Shares by Ramelius will depend upon the level of acceptances achieved under the Offer and all other relevant circumstances at the time. Ramelius reserves its rights to, but makes no commitment to, further acquisitions of Explaurum Shares following completion of the Offer in any manner permitted by the Corporations Act.

8.6 Intentions if Ramelius acquires a relevant interest in less than 50% of Explaurum Shares

Set out below are Ramelius' current intentions if, at the end of the Offer Period, Ramelius has a relevant interest in less than 50% of all Explaurum Shares.

In this situation, Ramelius may be in a position to influence but not necessarily determine the outcome of ordinary resolutions (in respect of which it is entitled to vote) and so, for example, it may not be in a position to control the composition of the Explaurum Board. This means that Ramelius' ability to undertake the Strategic Review may be limited, and (assuming it is able to undertake the Strategic Review) its ability to realise the proposed outcomes of that Strategic Review may be similarly constrained.

Potential combination with Edna May

Ramelius would still promote and if it is considered the optimum outcome, seek Explaurum Board and if required, Explaurum Shareholder approval to implement the development of the Tampia Hill Project by utilising the existing facilities at Edna May.

Explaurum Board

Ramelius intends to (subject to the formal requirements of the Corporations Act and of the Explaurum constitution) seek representation on the Explaurum Board.

The identity of such nominee directors has not yet been finally determined, but it is expected that they will be predominantly drawn from the current directors and management of Ramelius.

Active minority Explaurum Shareholder

Ramelius intends to remain actively involved as a shareholder, including by way of influencing the strategic direction of the business of Explaurum, to the greatest extent that it is permitted by law.

Limitations in giving effect to intentions

The implementation of Ramelius intentions in the event that Ramelius has a relevant interest in less than 100% of Explaurum Shares will be subject to the Corporations Act, the ASX Listing Rules, Explaurum constitution and the obligations of the Explaurum Directors at that time to act in the best interests of Explaurum and all Explaurum Shareholders, and the extent of Ramelius' shareholding at the relevant time.

Further acquisition of Explaurum Shares

Any future purchases of Explaurum Shares by Ramelius will depend upon the level of acceptances achieved under the Offer and all other relevant circumstances at the time. Ramelius reserves its rights to, but makes no commitment to, further acquisitions of Explaurum Shares following completion of the Offer in any manner permitted by the Corporations Act.

9. EFFECT OF THE OFFER ON RAMELIUS AND PROFILE OF THE MERGED GROUP

9.1 Introduction

This section 9 provides a description of the effect of the Offer on Ramelius and a profile of the Merged Group, assuming that Explaurum becomes a wholly-owned subsidiary of Ramelius. If Ramelius does not acquire at least 90% of the Explaurum Shares during the Offer Period and therefore does not become entitled to compulsorily acquire the remainder of the Explaurum Shares, some of the benefits that would otherwise accrue to Ramelius if Explaurum were to become a wholly-owned subsidiary of Ramelius may not be fully realised.

For further information in this regard please see sections 8.5 and 8.6 of this Bidder's Statement.

9.2 Synergies

As described in section 8.2 of this Bidder's Statement, Ramelius intends to conduct a Strategic Review of Explaurum's operations on both a strategic and financial level with a view to integrating Explaurum's operations into Ramelius' operational and corporate structure. This is likely to involve:

- (a) detailed review of the development plans for the Tampia Hill Project in conjunction with the medium to long term development options at Edna May;
- (b) closure of the Explaurum head office in Queensland and relocation of the some of the activities carried out in this office to Ramelius' Perth office; and
- (c) review of the Explaurum exploration database and expenditure requirements and integration with the exploration activities of the Merged Group.

Each of these activities is likely to identify synergies that will result in cost savings for the Merged Group.

9.3 Prospects of the Merged Group

The rationale for this Offer, being the addition of Explaurum's assets with those of Ramelius, is in line with the strategy of acquiring value accretive projects near existing operating mines, in particular the production centre at Edna May.

Subject to the Strategic Review outlined in section 8, the combination of these assets should enable the most optimal development profile for Edna May and the Tampia Hill Project.

The current financial strength of Ramelius will enable an efficient deployment of capital to develop Edna May and the Tampia Hill Project without the impost of significant debt or equity dilution that may occur if the assets did not have a single owner.

Explaurum's ground package, consolidated with that of Ramelius in the Westonia district, will enable a different perspective to be placed on exploration target identification knowing that there is likely to be milling capacity only a relatively short distance from potential discoveries.

9.4 Effect of the Offer on Merged Group's Mineral Resources and Ore Reserves Information

As described in this Bidder's Statement, Ramelius has total Mineral Resources of 3,725,000 ounces of gold and Ore Reserves of 592,000 ounces of gold. Explaurum has reported Mineral Resources of 675,000 ounces of gold and Ore Reserves of 485,000 ounces of gold.

A simple addition of the currently reported Mineral Resources and Ore Reserves of the two companies gives combined Mineral Resources of 4,400,000 ounces of gold and combined Ore Reserves of 1,077,000 ounces of gold. However, it should be noted that Ramelius intends to re-estimate the Explaurum Mineral Resources and Ore Reserves using the same estimation practices and assumptions used by Ramelius at its other projects.

This re-estimation process could lead to a change in the Explaurum Mineral Resources and Ore Reserves.

9.5 Effect of the Offer on the Merged Group's capital structure

Under the Offer, Ramelius is offering to issue Ramelius Shares to Explaurum Shareholders (other than Foreign Explaurum Shareholders). Ramelius has the capacity to issue the maximum number of Ramelius Shares which it may be required to issue under the Offer. No shareholder approvals or third party consents are required for the issue of the Ramelius Shares.

The effect of the Offer on the capital structure of Ramelius on a post-completion basis is set out in the table below:

Securities	Numbers
Shares	
Current Ramelius Shares ¹	528,509,008
Maximum Ramelius Shares to be issued under the Offer ²	120,353,080
Total	648,862,088
Options	
Maximum number of Ramelius Shares to be issued assuming all Explaurum Options are exercised	5,643,779
Performance Rights	
Maximum number of Ramelius Shares to be issued assuming all Explaurum Performance Rights vest	4,750,000
Maximum Potential Number of Ramelius Shares post Offer ³	659,255,867

Notes:

1. The rights attaching to the Ramelius Shares are summarised in section 5.4 of this Bidder's Statement.
2. Assuming a 100% take up under the Offer, that no Explaurum Shareholders are Foreign Explaurum Shareholders and that no Explaurum Options are exercised or other Explaurum Shares issued.
3. Assuming 100% take up under the Offer, that no Explaurum Shareholders are Foreign Explaurum Shareholders and that all Explaurum Options are exercised and all other Explaurum Shares issued (on vesting and exercise of Explaurum Performance Rights).

9.6 Pro forma financial information for the Merged Group

(a) Basis of preparation

The pro-forma financial information of the Merged Group set out below is provided for illustrative purposes only.

The Ramelius information in the pro-forma consolidated statement of financial position for the Ramelius Group is based on the financial statements as at 30 June 2018. The financial statements were audited by Grant Thornton. A copy of Ramelius' financial statements can be found on its website: www.rameliusresources.com.au

The Explaurum information in the pro-forma consolidated statement of financial position for the Explaurum Group is based on the half year reviewed financial statements as at 31 December 2017. The half year financial statements were reviewed by Ernst & Young. A copy of Explaurum's financial statements can be found on its website: www.explaurum.com.au

Pro-Forma Financial Position	RMS A\$'000 30 Jun 2018	EXU A\$'000 31 Dec 2017	Transaction ⁽¹⁾ A\$'000	Consol ⁽²⁾ A\$'000	Merged Group (A\$000)
Cash	75,028	1,172	-	-	76,200
Inventories	58,086	-	-	-	58,086
Property, plant, & equipment	51,122	93	-	-	51,215
Mine development	84,728	-	-	48,781	133,509
Exploration assets	19,317	15,092	-	-	34,409
Investment in Subsidiary	-	-	64,327	(64,327)	-
Deferred tax assets	26,947	-	-	-	26,947
Other assets	6,706	201	-	-	6,907
Total assets	321,934	16,558	64,327	(15,546)	387,273
Trade and other payables	31,796	922	-	-	32,718
Rehabilitation provision	42,489	-	-	-	42,489
Contingent consideration	12,892	-	-	-	12,892
Deferred tax liabilities	26,030	-	-	-	26,030
Other liabilities	6,755	90	-	-	6,845
Total liabilities	119,962	1,012	-	-	120,974
Net assets	201,972	15,546	64,327	(15,546)	266,299
Share Capital	149,568	32,320	64,327	(32,320)	213,895
Reserves	1,884	3,807	-	(3,807)	1,884
Retained Earnings/(Losses)	50,520	(20,581)	-	20,581	50,520
Total shareholder equity	201,972	15,546	64,327	(15,546)	266,299

1. Transaction Entry: Recognition of investment in Explaurum as a subsidiary of Ramelius. Consideration calculated from the issue of 130,746,859 new shares in Ramelius at A\$0.492 per share

2. Consolidation Entry: Elimination of the investment in the subsidiary with the uplift in net assets being disclosed as Mine Development.

Subsequent Events Note

Since 31 December 2017 Explaurum raised approximately A\$8 million through the issue of 79 million shares at 10.5 cents each. Explaurum's cash position at 30 June 2018 was A\$3.4 million.

Unaudited Pro-Forma Acquisition Note (A\$'000):

Consideration Paid to acquire Subsidiary	64,327
Net Assets Acquired	
Cash	1,172
Property, Plant and Equipment	93
Exploration Assets	15,092
Mine Development	48,781
Other Assets	201
Trade and Other Payables	(922)
Other Liabilities	(90)
Net Assets Acquired	64,327

In the event that Ramelius acquires control of Explaurum (as determined in accordance with Australian Accounting Standards) but does not hold 100% of the issued capital, Ramelius will still consolidate 100% of the earnings, assets and liabilities of Explaurum. However, it will then make an adjustment in the Profit and Loss Statement and in the Equity section of the Balance Sheet of the Ramelius Group which effectively removes the proportion of the profits or losses and the net assets that it does not own (referred to as the minority interest).

In the event that Ramelius acquires a sufficient number of shares in Explaurum to exert a significant influence in the affairs of Explaurum (in accordance with Australian Accounting Standards) then Ramelius will undertake an Equity Accounting approach to its investment in Explaurum. This will involve recognising as an asset (at cost) the Ramelius investment in Explaurum. This amount is then adjusted for Ramelius' share of any profits or losses that Explaurum make in any particular period.

9.7 Forecast financial information for the Merged Group

Ramelius has given consideration as to whether a reasonable basis exists to produce reliable and meaningful information in relation to the Merged Group and has concluded that a reasonable basis does not exist for producing forecasts that would be sufficiently meaningful and reliable. This is mainly due to the intention to conduct the Strategic Review and the fact that the Explaurum assets (including the Tampia Hill Project) are at an early stage of development and a reasonable basis does not exist for forecasting production and cost guidance or financial information for these assets.

10. KEY RISKS ASSOCIATED WITH THE OFFER

10.1 Introduction

If the Offer becomes unconditional, Explaurum Shareholders who accept the Offer will become Ramelius Shareholders,¹² and Ramelius will acquire an interest in Explaurum. In that event, Explaurum Shareholders will continue to be indirectly exposed to the risks associated with having an interest in Explaurum's assets and general economic, share market and industry risks. There are also additional risks relating to the Offer and the Merged Group, to which Explaurum Shareholders will be exposed through their holding of Ramelius Shares.

10.2 General risks

(a) Economic conditions

Factors such as (but not limited to) political movements, stock market trends, interest rates, inflation levels, commodity prices, foreign exchange rates, industrial disruption, environmental impacts, international competition, taxation changes and legislative or regulatory changes, may all have an adverse impact on Ramelius' operating costs, profit margins and share price. These factors are beyond the control of Ramelius and Ramelius cannot, to any degree of certainty, predict how they will impact on Ramelius.

Prolonged deterioration in general economic conditions could potentially have an adverse impact on Ramelius and its operations.

(b) Share market conditions

Share market conditions may affect the value of Ramelius Shares regardless of Ramelius' operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and
- (vi) terrorism or other hostilities.

The market price of shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and mining stocks in particular. Neither Ramelius nor the Ramelius Directors warrant the future performance of Ramelius or any return on an investment in Ramelius.

(c) Gold mining industry conditions

Ramelius prepares its business plan using estimates of production and financial performance based on a range of assumptions and forecasts. There is uncertainty in these assumptions and forecasts, and risk that variation from them could result in actual performance being different to expected outcomes. The uncertainties arise from a range of factors, including the nature of the gold mining industry. Some of these risks are outlined below.

Fluctuations in the gold price and Australian dollar

Ramelius' revenues are exposed to both fluctuations in the US dollar gold price and the Australian dollar. Volatility in the gold price and Australian dollar creates revenue uncertainty and requires careful management of business performance to ensure that operating cash margins are maintained should the Australian dollar gold price fall.

Declining gold prices can also impact operations by requiring a reassessment of the feasibility of mine plans and certain projects and initiatives. The development of new ore bodies, commencement and timing of open pit cut backs, commencement of development projects and the ongoing commitment to exploration projects can all potentially be impacted by a

¹² If you are a Foreign Explaurum Shareholder, you will not receive Ramelius Shares as part of the Offer Consideration. Please see sections 11.10 and 12.7 of this Bidder's Statement for further details.

decline in the prevailing gold price. Even if a project is ultimately determined to be economically viable, the need to conduct such a reassessment could potentially cause substantial delays and/or may interrupt operations, which may have a material adverse effect on Ramelius' results of operations and financial condition.

Ore Reserves and Mineral Resources

The Merged Group's Ore Reserves and Mineral Resources are estimates, and no assurance can be given that the estimated reserves and resources are accurate or that the indicated level of gold or any other mineral will be produced. Such estimates are, in large part, based on interpretations of geological data obtained from drill holes and other sampling techniques. Actual mineralisation or geological conditions may be different from those predicted. No assurance can be given that any part or all of the Merged Group's Mineral Resources constitute or will be converted into Ore Reserves.

Market price fluctuations of gold and silver as well as increased production and capital costs may render the Merged Group's Ore Reserves unprofitable to develop at a particular site or sites for periods of time or may render Ore Reserves containing relatively lower grade mineralisation uneconomic. Estimated reserves may have to be re-estimated based on actual production experience. Any of these factors may require the Merged Group to reduce its Ore Reserves and Mineral Resources, which could have a negative impact on its financial results and the expected operating life of its mines.

Replacement of depleted reserves and resources

Ramelius must continually replace reserves and resources depleted by production to maintain production levels over the long term. Reserves and resources can be replaced by expanding known ore bodies, locating new deposits or making acquisitions. Exploration is highly speculative in nature. Exploration projects involve many risks and are frequently unsuccessful. There is no assurance that Ramelius' current or future exploration programs will be successful. Also, if a discovery is made, it may take several years from the initial phases of drilling until production is possible.

There is a risk that depletion of reserves and resources will not be offset by discoveries or acquisitions or that divestitures of assets will lead to a lower reserve base. The reserve and resource base of the Merged Group may decline if reserves and resources are mined without adequate replacement and the Merged Group may not be able to sustain production beyond the current mine lives, based on current production rates.

Geological and geotechnical conditions

There is a risk that unforeseen geological and geotechnical difficulties may be encountered when developing and mining Ore Reserves, such as unusual or unexpected geological conditions, pit wall failures, rock bursts, seismicity and cave-ins. In any of these events, 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.

Production and cost estimates

The ability of Ramelius to achieve production targets or meet operating and capital expenditure estimates on a timely basis cannot be assured. The assets of the Merged Group, as any others, are subject to uncertainty with ore tonnes, grade, metallurgical recovery, geotechnical conditions, operational environment, funding for development, regulatory changes, accidents and other unforeseen circumstances such as unplanned mechanical failure of plant or equipment.

Ramelius prepares estimates of future production, cash costs and capital costs of production for its operations. No assurance can be given that such estimates will be achieved. Failure to achieve production or cost estimates or material increases in costs could have an adverse impact on Ramelius' future cash flows, profitability, results of operations and financial condition.

Costs of production may also be affected by a variety of factors, including: changing waste-to-ore ratios, ore grade, metallurgy, labour costs, cost of commodities, general inflationary pressures and currency exchange rates.

Unforeseen production cost increases could result in Ramelius not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect on Ramelius' financial and operational performance.

Agreements with Third Parties

Ramelius is and will be subject to various contracts and agreements with third parties. There is a risk of financial failure or default by a counterparty to these arrangements. Any breach or failure may lead to penalties or termination of the relevant contract. In addition, Ramelius' interest in the relevant subject matter may be jeopardised.

Hedging risk

Ramelius has hedging agreements in place for the forward sale of fixed quantities of gold production from its operations. There is a risk that Ramelius may not be able to deliver the amount of gold required under its hedging arrangements if, for example, there is a production shortage. In this event, Ramelius' financial performance may be adversely affected.

Under the hedging agreements, rising gold prices could result in part of Ramelius' gold production being sold at less than the prevailing spot price at the time of sale.

Regulatory risks

Ramelius' operations are subject to various Federal, State and local laws and plans including those relating to mining, prospecting, development, permit and licence requirements, industrial relations, environment, land use, royalties, water, native title and cultural heritage, land access, mine safety and occupational health.

Approvals, licences and permits required to comply with such rules may, in some instances, be subject to the discretion of the applicable government or government officials, and, in some cases, the local community. No assurance can be given that Ramelius will be successful in obtaining any or all of the various approvals, licences and permits or maintaining such authorisations in full force and effect without modification or revocation. To the extent such approvals are required and not retained or obtained in a timely manner or at all, Ramelius may be curtailed or prohibited from continuing or proceeding with production and exploration.

Landholder access and Native Title

The grant and exercise of rights under mining tenements can be affected by the type of underlying land ownership (for example, whether private (freehold) land or subject to a pastoral lease) and the nature of any improvements or other activities being conducted on that land.

In addition, some of the Merged Group tenements would be located within areas that are the subject of claims or applications for native title determination. The Native Title Act 1993 (Cth) and related State native title legislation and aboriginal heritage legislation may affect the ability to obtain access to certain exploration areas or to obtain mining production titles.

While access issues are faced by many mining companies and are a common aspect of mining project development, the ability to negotiate satisfactory commercial arrangements with landowners, farmers, occupiers and native title groups is important.

The Merged Group may be required to pay land compensation to land owners and others who have an interest in the area covered by mining tenements. The ability to resolve compensation issues and compensation costs involved may have an impact on the timing of access to land and, as such, the future development and financial performance of operations. The degree to which this may impact on activities will depend on a number of factors, including the status of particular tenements and their locations. At this stage, Ramelius is not able to quantify the impact, if any, of such matters on its operations.

Weather and climatic conditions

Some of Ramelius' sites and operations may from time to time be subject to severe storms and high rainfall leading to flooding and associated damage which may result in delays to or loss of production.

Insurance risk

Ramelius currently maintains insurance coverage. No assurance can be given that Ramelius will continue to be able to obtain such insurance coverage at reasonable rates (or at all), or that any coverage it obtains will be adequate and available to cover all claims.

Environmental risks

Mining and exploration have inherent risks and liabilities associated with safety and damage to the environment, including the disposal of waste products occurring as a result of mineral exploration and production, giving rise to potentially substantial costs for environmental rehabilitation, damage control and losses.

Ramelius is subject to environmental laws and regulations in connection with its operations and could be subject to liability due to risks inherent in its activities, including unforeseen circumstances.

In particular, the disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. Approvals are required for land clearing and ground disturbing activities. Delays in obtaining such approvals could result in the delay to Ramelius' anticipated mining or exploration activities.

Loss of Key Personnel

Ramelius' success depends on the competencies of its Directors and senior management. The loss of one or more of the Directors or senior management could have an adverse effect on Ramelius' business, financial position and results of operations. The resulting impact from such an event would depend on the quality of any replacement.

Community relations

Ramelius has an established community relations function, both at a corporate level and at each of the operations. Ramelius has developed a community engagement framework, including a set of principles, policies and procedures designed to provide a structured and consistent approach to community activities across our sites whilst recognising that, fundamentally, community relations is about people connecting with people. Ramelius recognises that a failure to appropriately manage local community stakeholder expectations may lead to dissatisfactions which have the potential to disrupt production and exploration activities.

10.3 Risks relating to the Offer and the Merged Group

(a) Issue of Ramelius Shares as the Offer Consideration

Explaurum Shareholders are being offered consideration under the Offer that comprises a specified number of Ramelius Shares, rather than a number of Ramelius Shares with a specified market value. As a result, the value of the consideration will fluctuate depending upon the market value of the Ramelius Shares.

(b) Integration risks

The extent to which Ramelius may integrate the business and assets of Explaurum will be impacted on by the level of acceptances under the Offer. Please see section 8 of this Bidder's Statement for further information in this regard.

There are also risks that any integration between the businesses of the Ramelius Group and Explaurum Group may take longer than expected and that anticipated efficiencies and benefits of that integration may be less than estimated. These risks include possible inability to achieve synergy benefits and cost savings.

(c) **Change of control provisions**

Explaurum may be a party to contracts that contain provisions that give the counterparty certain rights (including review or termination) on the change of control of Explaurum. If that is the case and the level of acceptances of the Offer results in a change of control of Explaurum, those provisions may be enforced by counterparties in a way that results in adverse consequences for Explaurum and the Merged Group.

11. ADDITIONAL INFORMATION

11.1 Date for determining holders of 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 Broker handling fee

Ramelius may offer to pay a commission to brokers who solicit acceptances of the Offer from their clients, however has made no final decision in relation to the matter at this stage. If Ramelius makes a decision to offer such a commission to brokers, it will make an announcement to ASX confirming this.

If such arrangements are put in place, commission payments will not exceed 0.75% of the value of the consideration payable for parcels of Explaurum Shares held by retail Explaurum Shareholders who accept the Offer, and will be subject to minimum payments (not exceeding \$50) and maximum payments (not exceeding \$750) for each Explaurum Shareholder.

If a commission is offered, it will be payable to brokers only and subject to the condition that no part of the fee will be able to be passed on or paid to Explaurum Shareholders.

It is Ramelius' intention that, once an offer of commission has been made to any broker by Ramelius, the commission arrangement will remain in place for the balance of the Offer Period and the amount of the commission offered will not be increased during the Offer Period.

11.3 Consents

The following persons have given, and have not, before the date of this Bidder's Statement (being the date this Bidder's Statement is lodged with ASIC), withdrawn their consent to be named in this Bidder's Statement in the form and context in which they are so named:

- (a) Allion Partners Pty Limited as Ramelius' legal adviser for the Offer; and
- (b) Adelaide Equity Partners Limited as Ramelius' financial adviser for the Offer.

Other than as specifically outlined above, each party referred to in this section 11.3 has not caused or authorised the issue of this Bidder's Statement and 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 and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

This Bidder's Statement also includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of ASIC Class Order 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 bid period, and within 2 business days of the request, please contact the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST). Calls to these numbers may be recorded.

As permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Bidder's Statement may include or be accompanied by certain statements:

- (a) fairly representing a statement by an official person; or
- (b) from a public official document or a published book, journal or comparable publication.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72, this Bidder's Statement contains share price trading data sourced from Weblink and the ASX official website.

11.4 Competent Persons statement

The information in this report that relates to Ramelius Exploration Results, Mineral Resources and Ore Reserves is based on information compiled by Kevin Seymour (Exploration Results), Rob Hutchison (Mineral Resources) and Duncan Coutts (Ore Reserves), who are Competent Persons and Members of The Australasian Institute of Mining and Metallurgy. Kevin Seymour, Rob Hutchison and Duncan Coutts are full-time employees of Ramelius. Kevin Seymour, Rob Hutchison and Duncan Coutts have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the

2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Kevin Seymour, Rob Hutchison and Duncan Coutts consent to the inclusion in this report of the matters based on their information in the form and context in which it appears.

11.5 Social security and superannuation implications of 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.

11.6 Disclosure of interests of certain persons

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

- (a) Ramelius Director;
- (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 Ramelius; or
- (d) underwriter to the issue of Ramelius Shares or financial services licensee named in this Bidder’s Statement as being involved in the issue of Ramelius 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:

- (a) the formation or promotion of Ramelius;
- (b) property acquired or proposed to be acquired by Ramelius in connection with its formation or promotion, or the offer of Ramelius Shares under the Offer; or
- (c) the offer of Ramelius Shares under the Offer.

11.7 Disclosure of fees and benefits received by certain persons

Other than as set out below or elsewhere in this Bidder’s Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (a) to a director of Ramelius to induce them to become, or to qualify as, a director of Ramelius; or
- (b) for services provided by an Interested Person in connection with the formation or promotion of Ramelius or the offer of Ramelius Shares under the Offer.

Adelaide Equity Partners Limited has acted as financial adviser to Ramelius in connection with the Offer and is entitled to receive professional fees for these services at the rate of 0.5% of the value of the valid Offer acceptances received. Assuming maximum acceptances the fees will be \$321,635 (ex GST) together with ongoing fees on a normal commercial basis.

Allion Partners Pty Limited has acted as legal adviser to Ramelius in connection with the Offer and is entitled to receive professional fees for these services estimated to be up to \$95,000 (ex GST) together with ongoing fees on a normal commercial basis.

11.8 Disclosure of interests of directors

(a) Interests in Ramelius securities

Please refer to section 5.7 of this Bidder’s Statement.

(b) Interests in Explaurum securities

As at the date of this Bidder’s Statement, no Ramelius Director has any Relevant Interest in Explaurum securities.

(c) Indemnity and insurance

Ramelius has entered into deeds with each of the Ramelius Directors (**Directors’ Deeds**) under which:

- (i) Ramelius provides an unlimited and continuing indemnity (to the extent permitted by law) to each Ramelius Director, on a full indemnity basis, against any and all liabilities incurred by the Ramelius Director in respect of or arising out of any act

while the Ramelius Director is a director of a Ramelius Group Member and in the course of, or arising out of, the Ramelius Director's role as an officer of a Ramelius Group Member;

- (ii) Ramelius must (to the extent permitted by law and available in the market at reasonable cost) maintain and pay premiums on an insurance policy (**D&O Insurance Policy**) insuring against certain liabilities incurred by a person in their capacity as director or officer of Ramelius and allowing Ramelius to obtain reimbursement for certain claims paid by it to the Ramelius Director under an indemnity for the period (**Relevant Period**) during which the Ramelius Director holds office and for a period of 7 years thereafter or, if a claim is brought within the 7 years after he or she ceases to be a director, until that proceeding is finally determined; and
- (iii) the Ramelius Director has a limited right to access and take copies of Ramelius Group Members' board papers related to the Relevant Period.

In accordance with the Directors' Deeds, Ramelius maintains a D&O Insurance Policy.

The entry into the Directors' Deeds and the maintenance of the D&O Insurance Policy are permitted by the constitution of Ramelius.

11.9 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.

11.10 Foreign jurisdictions

The distribution of this Bidder's Statement in jurisdictions outside Australia may be restricted by law, and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. 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. Ramelius disclaims all liabilities to such persons.

No action has been taken to register or qualify Ramelius or to otherwise permit a public offering of Ramelius Shares outside Australia.

11.11 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 Explaurum Shareholder whether or not to accept the Offer; and
- (b) known to Ramelius,

which has not previously been disclosed to Explaurum Shareholders.

12. THE TERMS AND CONDITIONS OF THE OFFER

12.1 Offer

- (a) Ramelius offers to acquire all or part of Your Explaurum Shares on and subject to the terms and conditions set out in this section 12 of this Bidder's Statement.
- (b) The consideration under the Offer is 1 Ramelius Share for every 4 of Your Explaurum Shares. If this calculation results in an entitlement to a fraction of an Ramelius Share, that fraction will be rounded up to the nearest whole number of Ramelius Shares.
- (c) If, at the time this Offer is made to you, you are a Foreign Explaurum Shareholder, then, despite any other provision of this Offer, you will not receive Ramelius Shares as part of the Offer Consideration. Instead, you will receive a cash amount determined in accordance with section 12.7 of this Bidder's Statement.
- (d) The Ramelius Shares to be issued are ordinary shares in Ramelius and will be credited as fully paid and have the rights summarised in section 5.4 of this Bidder's Statement.
- (e) By accepting this Offer, you undertake to transfer to Ramelius not only the Explaurum Shares to which the Offer relates, but also all Rights attached to those Explaurum Shares (see section 12.5(c)(vi) and section 12.6(c)).
- (f) This Offer is being made to each person registered as the holder of Explaurum Shares in the register of Explaurum Shareholders at 5.00pm (WST) on the Register Date. It also extends to:
 - (i) holders of securities that come to be Explaurum Shares during the period from the Register Date to the end of the Offer Period due to the conversion of, or exercise of rights conferred by, such securities and which are on issue as at the Register Date; and
 - (ii) any person who becomes registered, or entitled to be registered, as the holder of Your Explaurum Shares during the Offer Period.
- (g) If, at the time the Offer is made to you, or at any time during the Offer Period, another person is, or is entitled to be, registered as the holder of some or all of Your Explaurum Shares, then:
 - (i) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to that other person in respect of those Explaurum Shares;
 - (ii) a corresponding offer on the same terms and conditions as this Offer will be deemed to have been made to you in respect of any other Explaurum Shares you hold to which the Offer relates; and
 - (iii) this Offer will be deemed to have been withdrawn immediately at that time.
- (h) If at any time during the Offer Period you are registered or entitled to be registered as the holder of one or more parcels of Explaurum Shares as trustee or nominee for, or otherwise on account of, another person, you may accept as if a separate and distinct offer on the same terms and conditions as this Offer had been made in relation to each of those distinct parcels and any distinct parcel you hold in your own right. To validly accept the Offer for each parcel, you must comply with the procedure in section 653B(3) of the Corporations Act. If, for the purposes of complying with that procedure, you require additional copies of this Bidder's Statement and/or the Acceptance Form, please call the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST) to request those additional copies.
- (i) If Your Explaurum Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee you should contact that nominee for assistance in accepting the Offer.
- (j) The Offer is dated [*] 2018.

12.2 Offer Period

- (a) Unless withdrawn, the Offer will remain open for acceptance during the period commencing on the date of this Offer and ending at 5.00pm (WST) on the later of:

- (i) [*] 2018; or
- (ii) any date to which the Offer Period is extended.
- (b) Ramelius 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:
 - (i) the Offer is varied to improve the consideration offered; or
 - (ii) Ramelius' voting power in Explaurum increases to more than 50%,
 then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

12.3 How to accept this Offer

(a) General

- (i) Subject to section 12.1(g) and section 12.1(h) you may accept this Offer for some or all of Your Explaurum Shares.
- (ii) You may accept this Offer at any time during the Offer Period.

(b) Shares held in your name on Explaurum's issuer sponsored sub-register

To accept this Offer for Explaurum Shares held in your name on Explaurum's issuer sponsored sub-register (in which case your Securityholder Reference Number will commence with 'I'), you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.

(c) Shares held in your name in a CHESS Holding

- (i) If Your Explaurum Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are not a Participant, you should instruct your Controlling Participant (for Explaurum Shareholders who are not institutions, this is normally the stockbroker either through whom you bought your Explaurum Shares or through whom you ordinarily acquire shares on the ASX) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (ii) If Your Explaurum Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X') and you are a Participant, you should initiate acceptance of this Offer in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (iii) Alternatively, to accept this Offer for Explaurum Shares held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you may sign and complete the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form and ensure that it (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.
- (iv) If Your Explaurum Shares are held in your name in a CHESS Holding (in which case your Holder Identification Number will commence with 'X'), you must comply with any other applicable ASX Settlement Operating Rules.

(d) **Shares of which you are entitled to be registered as holder**

To accept this Offer for Explaurum Shares which are not held in your name, but of which you are entitled to be registered as holder, you must:

- (i) complete and sign the Acceptance Form in accordance with the terms of this Offer and the instructions on the Acceptance Form; and
- (ii) ensure that the Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received before the end of the Offer Period, at one of the addresses shown on the Acceptance Form.

(e) **Acceptance Form and other documents**

- (i) The Acceptance Form forms part of the Offer.
- (ii) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Ramelius at one of the addresses shown on the Acceptance Form before the end of the Offer Period.
- (iii) If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by facsimile, it will be deemed to be received in time if the facsimile transmission is received (evidenced by a confirmation of successful transmission) before the end of the Offer Period, but you will not be entitled to receive the consideration to which you are entitled until your original Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is received at one of the addresses shown on the Acceptance Form.
- (iv) When using the Acceptance Form to accept this Offer in respect of Shares in a CHESS Holding, you must ensure that the Acceptance Form (and any documents required by the terms of this Offer and the instruction on the Acceptance Form) are received by Ramelius in time for Ramelius to instruct your Controlling Participant to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period.
- (v) The postage and transmission of the Acceptance Form and other documents is at your own risk.

12.4 Validity of acceptances

- (a) Subject to this section 12.4, your acceptance of the Offer will not be valid unless it is made in accordance with the procedures set out in section 12.3.
- (b) Ramelius will determine, in its sole discretion, all questions as to the form of documents, eligibility to accept the Offer and time of receipt of an acceptance of the Offer. Ramelius is not required to communicate with you prior to or after making this determination. The determination of Ramelius will be final and binding on all parties.
- (c) Notwithstanding sections 12.3(b), 12.3(c), 12.3(d) and 12.3(e), Ramelius may, in its sole discretion, at any time and without further communication to you, deem any Acceptance Form it receives to be a valid acceptance in respect of Your Accepted Shares, even if a requirement for acceptance has not been complied with but the payment of the consideration in accordance with the Offer may be delayed until any irregularity has been resolved or waived and any other documents required to procure registration have been received by Ramelius.
- (d) Where you have satisfied the requirements for acceptance in respect of only some of Your Accepted Shares, Ramelius may, in its sole discretion, regard the Offer to be accepted in respect of those of Your Accepted Shares but not the remainder.
- (e) Ramelius will provide the consideration to you in accordance with section 12.6, in respect of any part of an acceptance determined by Ramelius to be valid.

12.5 The effect of acceptance

- (a) Once you have accepted the Offer for Your Explaurum Shares or such lesser number as you have specified in the Acceptance Form (**Your Accepted Shares**), you will be unable to revoke your acceptance, the contract resulting from your acceptance will be binding on you and you will be unable to withdraw Your Accepted Shares from the Offer or otherwise dispose of Your Accepted Shares, except as follows:
 - (i) if, by the relevant times specified in section 12.5(b), the conditions in section 12.8 have not all been fulfilled or freed, this Offer will automatically terminate and Your Accepted Shares will be returned to you; or
 - (ii) if the Offer Period is extended for more than one month and the obligations of Ramelius to deliver the consideration are postponed for more than 1 month and, at the time, this Offer is subject to one or more of the conditions in section 12.8, you may be able to withdraw your acceptance and Your Accepted Shares in accordance with section 650E of the Corporations Act. A notice will be sent to you at the time explaining your rights in this regard.
- (b) The relevant times for the purposes of section 12.5(a)(i) are:
 - (i) in relation to the condition in section 12.8(g) (prescribed occurrences), the end of the third Business Day after the end of the Offer Period; and
 - (ii) in relation to all other conditions in section 12.8, the end of the Offer Period.
- (c) By signing and returning the Acceptance Form, or otherwise accepting this Offer pursuant to section 12.3, you will be deemed to have:
 - (i) accepted this Offer (and any variation of it) in respect of, and, subject to all of the conditions to this Offer in section 12.8 being fulfilled or freed and agreed to transfer to Ramelius the specified number of Your Accepted Shares (including any Rights), subject to section 12.1(g) and section 12.1(h);
 - (ii) represented and warranted to Ramelius, as a fundamental condition going to the root of the contract resulting from your acceptance, that at the time of acceptance, and the time the transfer of Your Accepted Shares (including any Rights) to Ramelius is registered, that all Your Accepted Shares are and will be free from all mortgages, charges, liens, encumbrances and adverse interests of any nature (whether legal or otherwise) and free from restrictions on transfer of any nature (whether legal or otherwise), that you have full power and capacity to accept this Offer and to sell and transfer the legal and beneficial ownership in Your Accepted Shares (including any Rights) to Ramelius, and that you have paid to Explaurum all amounts which at the time of acceptance have fallen due for payment to Explaurum in respect of Your Accepted Shares;
 - (iii) irrevocably authorised Ramelius (and any director, secretary, nominee or agent of Ramelius) to alter the Acceptance Form on your behalf by inserting correct details relating to Your Accepted Shares, filling in any blanks remaining on the form and rectifying any errors or omissions as may be considered necessary by Ramelius to make it an effective acceptance of this Offer or to enable registration of Your Accepted Shares in the name of Ramelius;
 - (iv) if you signed the Acceptance Form in respect of Explaurum Shares which are held in a CHESS Holding, irrevocably authorised Ramelius (or any director, secretary, nominee or agent of Ramelius) to instruct your Controlling Participant to initiate acceptance of this Offer in respect of Your Accepted Shares in accordance with Rule 14.14 of the ASX Settlement Operating Rules;
 - (v) if you signed the Acceptance Form in respect of Explaurum Shares which are held in a CHESS Holding, irrevocably authorised Ramelius (or any director, secretary, nominee or agent of Ramelius) to give any other instructions in relation to Your Accepted Shares to your Controlling Participant, as determined by Ramelius acting in its own interests as a beneficial owner and intended registered holder of those Explaurum Shares;

- (vi) irrevocably authorised and directed Explaurum to pay to Ramelius, or to account to Ramelius for, all Rights in respect of Your Accepted Shares, subject, if this Offer is withdrawn, to Ramelius accounting to you for any such Rights received by Ramelius;
- (vii) irrevocably authorised Ramelius to notify Explaurum on your behalf that your place of address for the purpose of serving notices upon you in respect of Your Accepted Shares is the address specified by Ramelius in the notification;
- (viii) with effect from the date on which all the conditions to this Offer in section 12.8 have been fulfilled or freed, to have irrevocably appointed Ramelius (and any director, secretary or nominee of Ramelius) severally from time to time as your true and lawful attorney to exercise all your powers and rights in relation to Your Accepted Shares, including (without limitation) powers and rights to requisition, convene, attend and vote in person, by proxy or by body corporate representative, at all general meetings and all court convened meetings of Explaurum and to request Explaurum to register, in the name of Ramelius or its nominee, Your Accepted Shares, as appropriate, with full power of substitution (such power of attorney, being coupled with an interest, being irrevocable);
- (ix) with effect from the date on which all the conditions to this Offer in section 12.8 have been fulfilled or freed, to have agreed not to attend or vote in person, by proxy or by body corporate representative at any general meeting or any court-convened meeting of Explaurum or to exercise or purport to exercise any of the powers and rights conferred on Ramelius (and its directors, secretaries and nominees) in section 12.5(c)(viii);
- (x) agreed that in exercising the powers and rights conferred by the powers of attorney granted under section 12.5(c)(viii), the attorney will be entitled to act in the interests of Ramelius as the beneficial owner and intended registered holder of Your Accepted Shares;
- (xi) agreed to do all such acts, matters and things that Ramelius may require to give effect to the matters the subject of this section 12.5(c) (including the execution of a written form of proxy to the same effect as this section 12.5(c) which complies in all respects with the requirements of the constitution of Explaurum) if requested by Ramelius;
- (xii) agreed to indemnify Ramelius 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 Holder Identification Number or Securityholder Reference Number or in consequence of the transfer of Your Accepted Shares to Ramelius being registered by Explaurum without production of your Holder Identification Number or your Securityholder Reference Number for Your Accepted Shares;
- (xiii) represented and warranted to Ramelius that, unless you have notified it in accordance with section 12.1(h), Your Accepted Shares do not consist of separate parcels of Explaurum Shares;
- (xiv) irrevocably authorised Ramelius (and any nominee) to transmit a message in accordance with Rule 14.17 of the ASX Settlement Operating Rules to transfer Your Accepted Shares to Ramelius' Takeover Transferee Holding, regardless of whether it has paid the Ramelius consideration due to you under this Offer;
- (xv) agreed, subject to the conditions of this Offer in section 12.8 being fulfilled or freed, to execute all such documents, transfers and assurances, and do all such acts, matters and things that Ramelius may consider necessary or desirable to convey Your Accepted Shares registered in your name and Rights to Ramelius; and
- (xvi) agreed to accept the Ramelius Shares to which you have become entitled by acceptance of this Offer subject to the constitution of Ramelius and have authorised Ramelius to place your name on its register of shareholders in respect of those Ramelius Shares.

- (d) The undertakings and authorities referred to in section 12.5(c) will remain in force after you receive the consideration for Your Accepted Shares and after Ramelius becomes registered as the holder of Your Accepted Shares.

12.6 Payment of consideration

- (a) Subject to sections 12.4(b), 12.6 and 12.7 and the Corporations Act, Ramelius will provide the consideration due to you for Your Accepted Shares on or before the earlier of:
 - (i) one month after the date of your acceptance or, if this Offer is subject to a defeating condition when you accept this Offer, within one month after this Offer becomes unconditional; and
 - (ii) 21 days after the end of the Offer Period.
- (b) Where the Acceptance Form requires an additional document to be delivered with your Acceptance Form (such as a power of attorney):
 - (i) if that document is given with your Acceptance Form, Ramelius will provide the consideration in accordance with section 12.6(a);
 - (ii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is subject to a defeating condition, Ramelius will provide the consideration due to you on or before the earlier of one month after this Offer becomes unconditional and 21 days after the end of the Offer Period;
 - (iii) if that document is given after your Acceptance Form and before the end of the Offer Period while this Offer is not subject to a defeating condition, Ramelius will provide the consideration due to you on or before the earlier of one month after that document is given and 21 days after the end of the Offer Period; or
 - (iv) if that document is given after the end of the Offer Period, and the Offer is not subject to a defeating condition, Ramelius will provide the consideration within 21 days after that document is given. However, if at the time the document is given, the Offer is still subject to a defeating condition that relates only to the happening of an event or circumstance referred to in section 652C(1) or (2) of the Corporations Act, Ramelius will provide the consideration due to you within 21 days after the Offer becomes unconditional.
- (c) If you accept this Offer and it becomes or is declared unconditional, Ramelius is entitled to all Rights in respect of Your Accepted Shares. Ramelius may require you to provide all documents necessary to vest title to those Rights in Ramelius, or otherwise to give it the benefit or value of those Rights. If you do not give those documents to Ramelius, or if you have (or any previous owner of Your Accepted Shares has) received the benefit of those Rights, Ramelius will deduct from the consideration otherwise due to you the amount (or value, as reasonably assessed by Ramelius) of those Rights.
- (d) If you have accepted the Offer and you are a Foreign Explaurum Shareholder, you will receive your share of the proceeds from the sale of the Ramelius Shares in accordance with section 12.7.
- (e) Payment of any cash amount to which you are entitled under the Offer will be made by cheque in Australian currency. Cheques will be posted to you at your risk by ordinary mail (or in the case of overseas shareholders, by airmail) to the address as shown either, at the discretion of Ramelius, on your Acceptance Form, or on the register copy supplied by Explaurum from time to time.
- (f) The obligation of Ramelius to issue and allot any Ramelius Shares to which you are entitled will be satisfied by Ramelius :
 - (i) entering your name on the register of members of Ramelius; and
 - (ii) dispatching or procuring the dispatch to you by pre-paid post to your address recorded in Explaurum's register of members at 5.00pm (WST) on the Register Date, an uncertificated holding statement in your name. If Your Accepted Shares are held in a joint name, an uncertificated holding statement will be issued in the

name of, and forwarded to, the holder whose name appears first in Explaurum's register of members at 5.00pm (WST) on the Register Date.

- (g) If at the time you accept the Offer, any authority, clearance or approval is required for you to receive any consideration for Your Accepted Shares, including (but not limited to) any authority, clearance or approval of:
- (i) the Reserve Bank of Australia (whether under the *Banking (Foreign) Exchange Regulations 1959* (Cth) or otherwise);
 - (ii) the Minister for Foreign Affairs (whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of the United Nations (Dealing with Assets) Regulations 2008* (Cth) or any other regulations made thereunder, or otherwise);
 - (iii) the ATO; or
 - (iv) any other person as required by any other law of Australia that would make it unlawful for Ramelius to provide any consideration for Your Accepted Shares,

then you will not be entitled to receive any consideration for Your Accepted Shares until all requisite authorities, clearances or approvals have been received by Ramelius.

12.7 Foreign Explaurum Shareholders

- (a) If you are a Foreign Explaurum Shareholder, you will not be entitled to receive Ramelius Shares as part of the Offer Consideration for Your Accepted Shares as a result of accepting this Offer, and Ramelius will:
- (i) arrange for the issue to a nominee approved by ASIC (the **Nominee**) of the number of Ramelius Shares to which you and all other Foreign Explaurum Shareholders would have been entitled but for section 12.1(c). Ramelius may arrange for the Ramelius Shares to be issued to the Nominee in tranches. Ramelius has the sole and complete discretion as to when and in how many batches to aggregate the Ramelius Shares to be issued as a result of acceptances;
 - (ii) cause the Ramelius Shares so issued to be offered for sale by the Nominee (in one or more tranches) 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; and
 - (iii) cause the Nominee to pay to you the amount ascertained in accordance with the formula, being your pro rata share of the proceeds from the Ramelius Shares sold in the relevant sale tranche, less brokerage and sale expenses:

$$\frac{N \times YS}{TS}$$

where:

N is the amount which is received by the Nominee upon the sale of the Ramelius Shares in the relevant tranche under this section 12.7 less brokerage and sale expenses;

YS is the number of Ramelius Shares which would, but for section 12.1(c), otherwise have been allotted to you; and

TS is the total number of Ramelius Shares allotted to the Nominee in the relevant tranche under this section 12.7.

- (b) You will receive your share of the proceeds of the sale of Ramelius Shares by the Nominee in Australian currency.
- (c) 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 provided on your Acceptance Form within the period required by the Corporations Act.
- (d) Under no circumstances will interest be paid on your share of the proceeds of the sale of Ramelius Shares by the Nominee, regardless of any delay in remitting these proceeds to you.

- (e) The Nominee may sell the Ramelius Shares in such manner, at such price or prices and on such terms as the Nominee determines. The Nominee will sell the Ramelius Shares on ASX as soon as practicable and has sole and complete discretion with regards to the number of tranches in which to sell the Ramelius Shares that are issued to them.

12.8 Conditions of this Offer

Subject to section 12.9, the completion of this Offer and any contract that results from an acceptance of this Offer, are subject to the fulfilment or waiver of the conditions set out below before the end of the Offer Period:

(a) No regulatory action

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (i) there is not in effect any preliminary or final decision, order or decree issued by any Government Agency;
- (ii) no action or investigation is announced, commenced or threatened by any Government Agency; and
- (iii) no application is made to any Government Agency (other than by Ramelius or any Associate of Ramelius),

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or materially impact upon, the making of the Offers and the completion of any transaction contemplated by the Bidder's Statement or which requires the divestiture by Ramelius of any Explaurum Shares or any material assets of Ramelius or any of its Subsidiaries.

(b) Gold price

The spot gold price for gold as quoted on Bloomberg does not fall below A\$1350 per ounce at any time during a day for three consecutive days between the Announcement Date and the end of the Offer Period (each inclusive).

(c) No persons exercising rights under certain agreements or instruments

Between the Announcement Date and the end of the Offer Period, no person exercises any rights under any provision of any agreement or other instrument to which a member of the Explaurum Group is a party, or by or to which a member of the Explaurum Group or any of its Assets may be bound or be subject to:

- (i) require monies borrowed by, or other financial accommodation provided to, a member of the Explaurum Group to be paid or repaid immediately or earlier than the repayment or maturity date stated in such agreement or other instrument;
- (ii) terminate or modify any such agreement or instrument or require that any action be taken thereunder (including the acceleration of the performance of any obligation thereunder);
- (iii) terminate or modify the interest of a member of the Explaurum Group in any farm-in, farm-out, partnership, joint venture, trust, corporation or other entity (or any arrangements relating to such interest); or
- (iv) require that any Assets, shares or business of a member of the Explaurum Group be sold, transferred or offered for sale or transfer, including under any pre-emptive rights or similar provisions, as a result of the acquisition of Explaurum Group Shares by Ramelius.

(d) 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 Ramelius making the Offer or announcing its intention to make the Offer, or acquiring Explaurum Shares under the Offer, to:

- (i) acquire, or require the disposal of, or require any entity within the Explaurum Group to offer to dispose of, any Assets, shares or business of any entity within the Explaurum Group;
 - (ii) terminate, or vary the terms of performance of, any agreement with any entity within the Explaurum Group; or
 - (iii) terminate, or vary the terms of any material approvals, licenses or permits issued by any Government Agency to any entity within the Explaurum Group.
- (e) **Material adverse change**
 - (i) Between the Announcement Date and the end of the Offer Period (each inclusive) none of the following occurs (whether or not becoming public):
 - (A) an Event (including a decision of a Government Agency or a change in law) occurs or will or is reasonably likely to occur;
 - (B) information is disclosed or announced by Explaurum concerning any Event; or
 - (C) information concerning any Event becomes known to Ramelius (whether or not becoming public),
(each of ((A)), ((B)) and ((C)) a **Specified Event**) which, whether individually or when aggregated with all such Events (including a decision of a Government Agency or a change in law) of a like kind that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:
 - (D) a material adverse effect on the business, Assets, liabilities, financial or trading position, profitability or prospects of the Explaurum Group taken as a whole; or
 - (E) without limiting the generality of the previous clause:
 - (1) the effect of a diminution in the value of the consolidated net assets of the Explaurum Group, taken as a whole, by at least A\$1 million against what it would reasonably have been expected to have been but for such Specified Event; or
 - (2) the effect of impairing, terminating or otherwise adversely affecting or changing any Mining Tenement or any Authorisation in connection with any Mining Tenement.
 - (ii) A Specified Event shall not include an Event:
 - (A) fully and fairly disclosed by Explaurum on the ASX within 6 months prior to the Announcement Date;
 - (B) relating to the state of securities markets in general; or
 - (C) resulting from any changes generally affecting the gold mining industry which impact Explaurum and its competitors in a similar matter.
 - (iii) In this condition, "**Event**" means any event, change, condition, matter, occurrence, development or thing.
- (f) **No material acquisitions, disposals, cancellations or new commitments**
 Except for any proposed transaction or item fully and fairly disclosed by Explaurum on the ASX within 6 months prior to the Announcement Date, none of the following events occur between the Announcement Date and the end of the Offer Period:
 - (i) Explaurum or another member of the Explaurum Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or Assets (or any interest in one or more companies, businesses or Assets including by way of joint venture or partnership) for an amount or consideration in excess of A\$1 million for any individual item or in excess of A\$1 million in aggregate;

- (ii) Explaurum or another member of the Explaurum Group disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or Assets (or any interest in one or more companies, businesses or Assets) either:
 - (A) for an amount or consideration in excess of A\$1 million for any individual item or in excess of A\$1 million in aggregate; or
 - (B) relating in any way to the Tampia Hill Project.
- (iii) a member of the Explaurum Group enters into or agrees to enter into any farm-in, farm-out, joint venture or partnership or other agreement that requires or is reasonably likely to involve payments, expenditure or the foregoing of revenue, by a member of the Explaurum Group in excess of A\$1 million in aggregate other than in the ordinary course of business;
- (iv) a member of the Explaurum Group enters into or agrees to enter into any form of agreement, whether binding or otherwise, with respect to the financing, engineering, procurement, construction or development of the Tampia Hill Project or announces an intention to do so; or
- (v) a Mining Tenement granted to or held by any member of the Explaurum Group is revoked, surrendered, relinquished or terminated or a member of the Explaurum Group agrees to the same without there being a reasonable likelihood of such tenement, permit or licence being allowed to continue, renewed or extended on terms which are no less favourable to the member of the Explaurum Group.

(g) **Prescribed occurrences**

Between the Announcement Date and the end of the Offer Period (each inclusive), none of the following prescribed occurrences (being the occurrences listed in section 652C of the Corporations Act) happen:

- (i) Explaurum converting all or any of the Explaurum Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (ii) Explaurum or any of its Subsidiaries resolving to reduce its share capital in any way;
- (iii) Explaurum or any of its Subsidiaries entering into a buyback agreement or resolving to approve the terms of a buyback agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) Explaurum or any of its Subsidiaries:
 - (A) issuing shares (other than Explaurum Shares issued as a result of the exercise of Explaurum Options or the Explaurum Performance Rights);
 - (B) granting an option over its shares; or
 - (C) agreeing to make such an issue or grant such an option;
- (v) Explaurum or any of its Subsidiaries issuing, or agreeing to issue, convertible notes;
- (vi) Explaurum or any of its Subsidiaries disposing or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (vii) Explaurum or any of its Subsidiaries granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- (viii) Explaurum or any of its Subsidiaries resolving that it be wound up;
- (ix) the appointment of a liquidator or provisional liquidator of Explaurum or any of its Subsidiaries;
- (x) the making of an order by a court for the winding up of Explaurum or any of its Subsidiaries;
- (xi) an administrator of Explaurum or any of its Subsidiaries being appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) Explaurum or any of its Subsidiaries executing a deed of company arrangement; or

- (xiii) the appointment of a receiver, receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of Explaurum or any of its Subsidiaries.

(h) **Statements to the ASX**

Between the Announcement Date and the end of the Offer Period (each inclusive), there not having occurred or been announced or become known to Ramelius or Explaurum that information announced by Explaurum to ASX prior to the Announcement Date and the end of the Offer Period (each inclusive) is, or is likely to be, incomplete, incorrect, untrue or misleading in a material respect (including by omission) such that Ramelius might reasonably be expected to have not proceeded with the Offer at all or would have proceeded with the Offer on materially different terms.

(i) **Conduct of business**

Between the Announcement Date and the end of the Offer Period (each inclusive) neither Explaurum nor any of its Subsidiaries:

- (i) announces, declares, or distributes any dividend, bonus or other share of its profits or assets;
- (ii) makes any changes to its constitution or passes any special resolution or amends the terms of issue of any shares, options, performance rights or other convertible securities;
- (iii) borrows or agrees to borrow any money, other than in the ordinary course of business and in any event for an amount exceeding A\$1 million in aggregate;
- (iv) provides a guarantee or indemnity or both to a third party for an amount that exceeds A\$1 million;
- (v) creates any Security Interest over the whole or a substantial part of its business or Assets (other than a lien which arises by operation of law securing an obligation not yet due and consistent with past practice);
- (vi) enters into any contract or commitment involving revenue or expenditure of more than A\$1 million over the term of the contract or commitment;
- (vii) terminates, amends, waives or otherwise foregoes rights under any contract material to the conduct of the Explaurum Group's business or Assets or which involves revenue or expenditure of more than A\$1 million over the term of the contract or commitment;
- (viii) acquires, offers to acquire, agrees to acquire or acquires any one or more businesses, Mining Tenements assets, entities or undertakings valued at, or involving a financial commitment of more than A\$1 million (individually or when aggregated with all other such matters arising after the Announcement Date), or makes an announcement or enters into an agreement in relation to such an acquisition, undertaking or financial commitment; or
- (ix) conducts its business otherwise than in the ordinary course.

(j) **No litigation on foot or pending**

Between the Announcement Date and the end of the Offer Period (each inclusive) no litigation, claim, action or proceeding is pending or in progress, is commenced, is threatened to be commenced, is announced, or is made known to Ramelius (whether or not becoming public) or Explaurum, against any member of the Explaurum Group, which may result in a judgement of A\$1 million or more, other than that which is in the public domain as at the Announcement Date.

(k) **Mining Tenements**

Between the Announcement Date and the end of the Offer Period (each inclusive), otherwise than in the ordinary course of business, neither Explaurum nor any of its Subsidiaries:

- (i) 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 Mining Tenement;
- (ii) relinquishes, sells or disposes of any interest or creates any Security Interest over any of its Mining Tenements;
- (iii) takes any action or omits to take any action that results in or may reasonably be expected to result in a disposal of, or a breach of the terms of any of the Authorisations in connection with its Mining Tenement; or
- (iv) 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 its Mining Tenements or any Authorisation relating to any of its Mining Tenements,

including announcing an intention to do any of the above matters.

(l) **Other persons acquiring a Relevant Interest**

Prior to the end of the Offer Period, no person or persons (other than Ramelius and its Associates) acquire a Relevant Interest in 20% or more of the Explaurum Shares on issue.

12.9 Nature and benefit of conditions

- (a) The conditions in section 12.8 are conditions subsequent. The non-fulfilment of any condition subsequent does not, until the end of the Offer Period (or in the case of the conditions in section 12.8(g), until the end of the third business day after the end of the Offer Period), prevent a contract to sell Your Explaurum Shares from arising, but non-fulfilment of any of those conditions will have the consequences set out in section 12.10(b).
- (b) Subject to the Corporations Act, Ramelius alone is entitled to the benefit of the conditions in section 12.8, or to rely on any non-fulfilment of any of them.
- (c) Each condition in section 12.8 is a separate, several and distinct condition. No condition will be taken to limit the meaning or effect of any other condition.

12.10 Freeing the Offer of conditions

- (a) Ramelius may free this Offer, and any contract resulting from its acceptance, from all or any of the conditions subsequent in section 12.8, either generally or by reference to a particular fact, matter, event, occurrence or circumstance (or class thereof), by giving a notice to Explaurum and to 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:
 - (i) in the case of the condition in section 12.8(g), not later than 3 business days after the end of the Offer Period; and
 - (ii) in the case of all the other conditions in section 12.8, not less than 7 days before the end of the Offer Period.
- (b) If, at the end of the Offer Period (or in the case of the conditions in section 12.8(g), at the end of the third business day after the end of the Offer Period), the conditions in section 12.8 have not been fulfilled and Ramelius has not declared the Offer (or it has not become) free from those conditions, all contracts resulting from the acceptance of the Offer will be automatically void.

12.11 Official quotation of Ramelius Shares

- (a) Ramelius has been admitted to the official list of ASX. Ramelius Shares of the same class as those to be issued as consideration have been granted official quotation by ASX.
- (b) 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 Ramelius Shares to be issued in accordance with the Offer. However, official quotation is not granted automatically on application.
- (c) 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 admission to official quotation by ASX of the

Ramelius Shares to be issued pursuant to the Offer being 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 Offers will be automatically void.

12.12 Notice on 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 [*] 2018 (subject to extension in accordance with section 630(2) if the Offer Period is extended).

12.13 Withdrawal of this Offer

- (a) This Offer may be withdrawn with the consent in writing of ASIC, which consent may be subject to conditions. If ASIC gives such consent, Ramelius will give notice of the withdrawal to ASX and to Explaurum and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the conditions in section 12.8 have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.
- (c) If, at the time this Offer is withdrawn, the Offer remains subject to one or more of the conditions in section 12.8, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal pursuant to section 12.13 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on the date after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on the date after the date on which those conditions are satisfied.

12.14 Variation of this Offer

Ramelius may vary this Offer in accordance with the Corporations Act.

12.15 No stamp duty

Ramelius will pay any stamp duty on the transfer of Your Accepted Shares to it.

12.16 Governing laws

This Offer and any contract that results from your acceptance of it are to be governed by the laws in force in Western Australia.

13. AUSTRALIAN TAX IMPLICATIONS

The following is intended only as a general guide to the income tax position under current Australian income tax law and administrative practice as at the date of this Bidder's Statement. Income tax is a complex area of law and the income tax implications for you may differ from those detailed below, depending on your particular circumstances. As these statements are of a general nature only it is highly recommended that you obtain your own independent professional advice in respect of the Australian income tax implications of the Offer.

The following is an overview of the likely Australian income tax implications as a consequence of the Takeover Bid for an Australian tax resident or non-Australian resident Explaurum Shareholders who hold their Explaurum Shares on capital account.

The following may not apply to certain Explaurum Shareholders, such as if you are a dealer in securities, you hold Explaurum Shares on revenue account or as trading stock, if you are an insurance company or a collective investment scheme, or if Division 230 of the Income Tax Assessment Act 1997 (ITAA 1997) applies to you and you have made an election to apply certain methods to calculating gains and losses.

In addition, the following may not apply to you if you acquired your shares or options as a result of an employment or services arrangement. Such persons may be subject to special rules or any gain on the exchange of their Explaurum Shares for Ramelius Shares may be assessed as ordinary income.

The following may also not apply to non-Australian tax resident Explaurum Shareholders. The Australian income tax implications for non-Australian resident Explaurum Shareholders are complex and will depend upon their own specific circumstances. Non-Australian tax resident Explaurum Shareholders may also have tax implications in their country of residence.

13.1 Australian tax resident Explaurum Shareholders

Capital gains tax

The transfer of Explaurum Shares to Ramelius pursuant to the Offer will trigger a capital gains tax (CGT) event for you. The income tax implications for you will depend on whether you receive Ramelius Shares and, if eligible, choose to obtain scrip-for-scrip roll-over relief under Subdivision 124-M of the ITAA 1997 in relation to the disposal of your Explaurum Shares. Broadly, you may choose to obtain scrip-for-scrip roll-over relief where Ramelius acquires the number of Explaurum Shares sufficient to bring its total interest in Explaurum to at least 80% of the voting shares in Explaurum and you:

- (a) receive Ramelius Shares in exchange for your Explaurum Shares;
- (b) acquired your Explaurum Shares on or after 20 September 1985; and
- (c) would, apart from the application of the roll-over, make a capital gain from the disposal of your Explaurum Shares.

Where scrip-for-scrip roll-over relief is chosen

Where the above conditions are met, Explaurum Shareholders who wish to obtain scrip-for-scrip roll-over relief must choose to obtain the roll-over relief.

Where scrip-for-scrip roll-over relief is chosen, any capital gain arising from the disposal of your Explaurum Shares will be disregarded and deferred until a CGT event occurs in respect of the Ramelius Shares acquired by you under the Offer. The CGT cost base and reduced cost base of each Ramelius Share received will be determined by apportioning, on a reasonable basis, the cost base and reduced cost base of your Explaurum Shares; and

If you can apply the discount capital gains tax rules in Division 115 of the ITAA 1997 and you choose scrip-for-scrip roll-over relief your Ramelius Shares will be taken to have been acquired at the time your Explaurum Shares were originally acquired for the purposes of applying the CGT discount rules.

Where a capital loss arises, you will not be eligible to obtain scrip-for-scrip roll-over relief.

Where scrip-for-scrip roll-over is not chosen

Where scrip-for-scrip roll-over relief is not chosen, you will make a capital gain equal to the market value of your Ramelius Shares you are entitled to less the CGT cost base of your Explaurum Shares.

In determining your capital gain, the market value of your Ramelius Shares should be determined using the market value of those shares on the date you cease to have ownership of your Explaurum Shares.

If you are an individual, trustee of a trust or superannuation fund, you may be entitled to concessional discount CGT treatment under Division 115 of the ITAA 1997 in respect of a capital gain. This will depend upon your individual circumstances.

If your reduced cost base of your Explaurum Shares is greater than the market value of your Ramelius Shares you are entitled to, you may realise a capital loss. A capital loss may be applied to reduce a capital gain in the same or a future tax year.

Where scrip-for-scrip roll-over relief is not chosen, the cost base of the Ramelius Shares will be equal to their respective market values, as determined on the date the relevant Ramelius Shares are allotted or issued.

Where scrip-for-scrip roll-over relief is not chosen, the acquisition date of the Ramelius Shares for CGT purposes will be the date on which the Ramelius Shares are allotted or issued to you.

13.2 Non-Australian resident Explaurum Shareholders

Non-Australian resident Explaurum Shareholders that hold Explaurum Shares on capital account would only be subject to Australian capital gains tax upon disposal of their Explaurum Shares where the following conditions are met:

- (a) the non-Australian resident Explaurum Shareholder, together with its associates, holds 10 per cent or more of Explaurum's issued securities at the time of disposal or for any 12-month period in the 24 months prior to disposal; and
- (b) more than 50 per cent of the market value of the assets of Explaurum is represented (directly or indirectly) by real property interests or mining rights in respect of certain resources in Australia.

If CGT applies, concessional CGT discount treatment is not available to non-Australian residents in relation to the disposal of Explaurum securities acquired after 8 May 2012.

13.3 Stamp Duty

If you accept the Offer you will not be required to pay any stamp duty on the disposal of your Explaurum Shares under the Offer, on the acquisition of Ramelius Shares under the Offer, or on a subsequent disposal of Ramelius Shares.

13.4 GST

None of the following transactions are subject to Australian GST:

- (a) the transfer of Explaurum Shares pursuant to the Offers (except brokerage if any);
- (b) the payment of dividends on Ramelius Shares; and
- (c) a disposal of Ramelius Shares (except brokerage if any)

14. DEFINITIONS AND INTERPRETATION

14.1 Definitions

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

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

Acceptance Form means the acceptance form enclosed with this Bidder's Statement.

Announcement Date means the date of the announcement of the Offer by Ramelius on the ASX, being 10 September 2018.

Annual Financial Report has the meaning given in section 4.9 of this Bidder's Statement.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates.

ASX Operating Rules means the operating rules of ASX in force from time to time.

ASX Operating Rules Procedures means the procedures of the ASX Operating Rules.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of the ASX Settlement which govern the administration of the Clearing House Electronic Sub-register System.

As means the chemical formula for arsenic.

Arsenopyrite means the arsenic sulphide mineral with the formula FeAsS.

Asset means the assets of the Explaurum Group including the Tampia Hill Project and any and all Mining Tenements.

Associate has the meaning set out in section 12 of the Corporations Act as if subsection 12(1) of the Corporations Act included a reference to this document and Explaurum was the designated body.

ATO means Australian Taxation Office.

Au means the chemical formula for the mineral gold.

Authorisation means any approval, licence, consent, authority or permit.

Bidder's Statement means this document, being the statement of Ramelius under Part 6.5 Division 2 of the Corporations Act relating to the Offer.

Business Day means a day that is not a Saturday, Sunday or public holiday or bank holiday in Perth, Western Australia.

CHESS Holding means a number of Explaurum Shares which are registered on Explaurum's share register, being a register administered by ASX Settlement and which records uncertificated holdings of shares.

Controlling Participant means in relation to Your Explaurum Shares, has the same meaning as in the ASX Settlement Operating Rules.

Corporations Act mean *Corporations Act 2001* (Cth).

D&O Insurance Policy has the meaning given in section 11.8(c) of this Bidder's Statement.

Directors' Deeds has the meaning given in section 11.8(c)(iii) of this Bidder's Statement.

Event has the meaning given in section 12.8(e) of this Bidder's Statement.

Explaurum means Explaurum Limited (ABN 50 114 175 138).

Explaurum Board means the board of directors of Explaurum.

Explaurum Director means each member of the Explaurum Board.

Explaurum Group means Explaurum and each of its Subsidiaries and **Explaurum Group Member** means any member of the Explaurum Group.

Explaurum Option means an option, issued by Explaurum, to acquire an Explaurum Share.

Explaurum Performance Right means a performance right issue by Explaurum on the terms and conditions set out in section 7.1(c) of this Bidder's Statement.

Explaurum Share means a fully paid ordinary share in the capital of Explaurum.

Explaurum Shareholder means each person who is registered as the holder of an Explaurum Share.

Foreign Explaurum Shareholder means an Explaurum Shareholder whose address shown in the register of members of Explaurum is a place outside of Australia and its external territories or New Zealand.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian.

Holder Identification Number has the same meaning as in the ASX Settlement Operating Rules.

Interested Persons has the meaning given in section 11.6 of this Bidder's Statement.

Issuer Sponsored Holding means a holding of Explaurum Shares on Explaurum's issuer sponsored sub-register.

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

Listing Rules means the official listing rules of ASX, as amended and waived by ASX from time to time.

Löllingite means the arsenic sulphide mineral with the formula FeAsS₂.

Marketable Parcel has the meaning given in the ASX Operating Rules Procedures which, among other things, includes a parcel of shares, the value of which is not less than A\$500.

Merged Group means the Ramelius Group (including the Explaurum Group) which will exist following the Offer, should the Offer be successful and Explaurum become a Subsidiary of Ramelius.

Mineral Resources has the meaning given to it in the JORC Code.

Mining Tenement means any interest (including as holder, owner, operator or joint venturer) in a mining tenement, lease, licence, permit or similar and includes any extension, renewal, modification, replacement or substitution of the whole or any part thereof.

Nominee has the meaning given in section 12.7 of this Bidder's Statement.

Offer means the offer for Explaurum Shares under the terms and conditions contained in section 12 of this Bidder's Statement.

Offer Consideration means the consideration under the Offer, determined in accordance with section 12 of this Bidder's Statement.

Offer Period means the period during which the Offer is open for acceptance in accordance with section 12.2 of this Bidder's Statement.

Ore Reserves has the meaning given to it in the JORC Code.

Participant means an entity admitted to participate in the Clearing House Electronic Sub-register System under Rule 4.3.1 and 4.4.1 of the ASX Settlement Operating Rules.

Ramelius means Ramelius Resources Limited (ABN 51 001 717 540).

Ramelius Board means the board of Ramelius Directors of and a **Board Member** means any director of Ramelius comprising part of the Ramelius Board.

Ramelius Director means each member of the Ramelius Board.

Ramelius Group means Ramelius and each of its Subsidiaries and **Ramelius Group Member** means any member of the Ramelius Group.

Ramelius Option has the meaning given in section 5.5 of this Bidder's Statement.

Ramelius Performance Right has the meaning given in section 5.6 of this Bidder's Statement.

Ramelius Share means a fully paid ordinary share in the capital of Ramelius Resources Ltd.

Ramelius Shareholder means each person who is registered as the holder of a Ramelius Share in the Ramelius share register (at the relevant time).

Register Date means the date set by Ramelius under section 633(2) of the Corporations Act, being 11 September 2018.

Related Body Corporate has the meaning given in section 50 of the Corporations Act.

Related Person means:

- (a) in respect of a party or its Related Bodies Corporate, each director, officer, employee, adviser, agent or representative of that party or Related Body Corporate; and
- (b) in respect of any financial adviser retained by a party in relation to the Takeover Bid, each director, officer, employee or contractor of that financial adviser.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Relevant Period has the meaning given in section 11.8 of this Bidder's Statement

Rights means all accreditations, rights or benefits of whatever kind attaching or arising from Explaurum 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, options or other securities declared, paid or issued by Explaurum or any of its subsidiaries).

Securityholder Reference Number has the same meaning as in the ASX Settlement Operating Rules.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any asset; or
- (b) created or otherwise arising in or over any interest in any asset under a security agreement, a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes, but is not limited to:

- (c) any agreement to grant or create any of the above; and
- (d) a security interest within the meaning of section 12(1) of the *Personal Property Securities Act 2009* (Cth).

Specified Event has the meaning given in section 12.8(e) of this Bidder's Statement.

Strategic Review has the meaning given in section 8.2 of this Bidder's Statement.

Subsidiary has the meaning given in Division 6 of Part 1.2 of the Corporations Act.

Substantial Holding has the meaning given in section 9 of the Corporations Act.

Takeover Bid means the off-market takeover bid constituted by the dispatch of the Offers in accordance with the Corporations Act.

Takeover Transferee Holding has the same meaning as in the ASX Settlement Operating Rules.

Tampia Hill Project has the meaning given in section 6.1 of this Bidder's Statement.

Tampia Resource means the Mineral Resource defined at the Tampia Hill Project as published in Explaurum's Feasibility Study dated 30 May 2018.

Target's Statement means the target's statement to be issued by Explaurum in response to this Bidder's Statement in accordance with the Corporations Act.

Tenements means any and all tenements that Explaurum or its Subsidiaries have a direct or indirect interest in from time to time (including as holder, owner, operator or joint venturer), including any tenement that is a successor, renewal, modification, extension or substitute for the whole or part of any such tenement.

Third Party means a person other than Ramelius and its Associates.

Unmarketable Parcel means a parcel of Ramelius Shares that does not constitute a Marketable Parcel.

Unmarketable Parcel Shareholder means an Explaurum Shareholder to whom, if they accept the Offer, Ramelius Shares would be issued which would not constitute a Marketable Parcel.

VWAP means volume weighted average price.

WST means Australian Western Standard Time.

Your Accepted Shares has the meaning given in section 12.5 of this Bidder's Statement.

Your Explaurum Shares means the Explaurum Shares (a) in respect of which you are registered, or entitled to be registered, as holder in the register of shareholders of Explaurum at 5.00pm (WST) on the Register Date, or (b) to which you are able to give good title at the time you accept this Offer during the Offer Period.

14.2 Interpretation

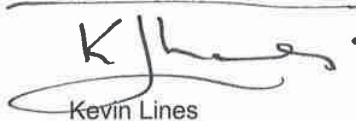
In this Bidder's Statement and in the Acceptance Form, unless the context otherwise requires:

- (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, paragraph, clause, attachment and schedule is a reference to a section, paragraph or, clause of and an attachment and 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 bold type are for convenience only and do not affect the interpretation of this Bidder's Statement;
- (h) a reference to time is a reference to time in Perth, Australia;
- (i) a reference to writing includes facsimile transmissions; and
- (j) a reference to dollars, \$, A\$, cents, ¢ and currency is a reference to the lawful currency of the Commonwealth of Australia.

15. APPROVAL OF BIDDER'S STATEMENT

This Bidder's Statement has been approved by a unanimous resolution passed by the directors of Ramelius.

Signed for and on behalf of Ramelius Resources Limited by:

A handwritten signature in black ink, appearing to read 'K Lines', is written over a horizontal line.

Kevin Lines

Independent Non-Executive Chairman

RAMELIUS
RESOURCES



ASX RELEASE

10 September 2018

For Immediate Release

Ramelius announces takeover offer for Explaurum Limited

Highlights

- Scrip offer of \$0.123¹³ per share, being a 66.2% premium to the last closing price of Explaurum shares¹⁴
- Explaurum Shareholders accepting the offer will become shareholders in a profitable and financially secure company¹⁵
- The Offer reduces significant financial and operational risks for Explaurum Shareholders
- Potential operational and capital cost synergies between Explaurum's Tampia Hill Project and Ramelius' Edna May mine, while maintaining exposure to ongoing exploration potential
- Diverse suite of Ramelius operations lowers operational and cashflow risk
- No minimum acceptance threshold

Overview

Ramelius Resources Limited (ASX:RMS) (**Ramelius**) is pleased to announce that it intends to make an off-market takeover bid (**Offer**) to acquire all of the ordinary shares of Explaurum Limited (ASX:EXU) (**Explaurum**), a gold exploration and development company focussed on the Tampia Hill Project, located near Narembeen, 240km east of Perth in Western Australia.

Under the Offer, Explaurum Shareholders will receive one (1) Ramelius share for every four (4) Explaurum shares held (**Offer Consideration**), valuing Explaurum shares at \$0.123 each, based on the 30-Day Volume Weighted Average Price (**VWAP**) of Ramelius shares as at 7 September 2018, which represents a premium of:

- 66.2 % to Explaurum's last closing price of A\$0.074 on 7 September
- 59.7 % to Explaurum's 10-Day VWAP of A\$0.077, up to and including 7 September
- 50.0 % to Explaurum's 30-Day VWAP of A\$0.082, up to and including 7 September

The Offer is subject to a limited number of conditions as set out below.

Further details about the Offer are contained in Ramelius' Bidder's Statement, which is expected to be despatched to Explaurum Shareholders by late September 2018. The Bidder's Statement sets out important information, including how to accept the Offer, information about Ramelius, and the key reasons as to why Explaurum Shareholders should accept the Offer.

¹³ Based on a 30-Day VWAP of Ramelius shares as at 7 September 2018 of A\$0.492 per share

¹⁴ Based on 0.074 per share

¹⁵ Explaurum Shareholders outside of Australia and New Zealand will not be eligible to receive Ramelius Shares as part of the offer, please refer to the Bidder's Statement for further details and information in this regard.

10 September 2018

ISSUED CAPITAL

Ordinary Shares: 528M

DIRECTORS

NON-EXECUTIVE CHAIRMAN:

Kevin Lines

NON-EXECUTIVE DIRECTORS:

Michael Bohm

David Southam

MANAGING DIRECTOR:

Mark Zeptner

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RAMELIUS RESOURCES LIMITED

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East Perth, WA 6892

Adelaide Office

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Fax +61 8 8271 1988

Discussions with Explaurum

Ramelius has attempted on a number of occasions to engage in a dialogue directly with the directors of Explaurum in an effort to jointly explore a recommended deal that would be priced and structured in the best interests of both EXU and RMS shareholders. However, we have not been able to come to an agreement so consequently, in light of the compelling nature of the offer, Ramelius has decided to put its offer directly to Explaurum shareholders for consideration.

Offer Rationale

Ramelius believes that the combination of the two companies represents a compelling argument for mutually enhanced shareholder value, in particular:

- Explaurum Shareholders will become shareholders in a profitable, financially secure company with a stable platform of established Australian mines managed by a high-quality team:
 - In FY18 Ramelius produced 208,118 ounces of fine gold at an All In Sustaining Cost (AISC) of A\$1,191/oz and recorded a Net Profit after Tax for the Financial Year of \$30.8 million;
 - As at 30 June 2018 held A\$95.5 million in cash and gold bullion with no debt; and
 - FY2019 is forecast to be another very strong year with gold production of approximately 200,000-220,000 ounces at an AISC of A\$1,150-\$1,250/oz.
- Given Explaurum's current market capitalisation, and the capital funding requirements for the Tampia Hill Project, the Offer reduces risks associated with remaining an Explaurum Shareholder, specifically:
 - Uncertainty over access to debt funding for the Tampia Hill Project;
 - The potential for significant shareholder dilution via a project level equity raising;
 - Assuming it can be established, potential for high debt levels needing to be serviced via a single asset operation; and
 - Plant design, construction, commissioning, and mining risks.
- The proximity of the Edna May mine to Explaurum's Tampia Hill Project provides potential to realise significant capital cost savings and operational synergies while maintaining exposure to ongoing exploration potential:
 - On attaining effective control of Explaurum, the Ramelius Board intends to undertake a comprehensive Strategic Review, which has the potential to determine alternate, quicker paths to first cash flow from the Tampia Hill Project; and
 - The acquisition of the Tampia Hill Project also provides Ramelius with potential for increased flexibility around the timing and scheduling of mining operations at Edna May.
- Lower operational and cashflow risk from a diverse suite of Ramelius operations: Shareholders of Explaurum will benefit from having access to cash flow generating assets at Edna May, Mt Magnet and Vivien, while remaining exposed to the Tampia Hill Project through being a shareholder of the enlarged Merged Group.

Managing Director, Mark Zeptner, said of the Offer: *"There is clear logic in the combination of Explaurum's assets with Ramelius' WA operations. After the successful acquisition of Edna May last year, Ramelius is focussed on building on its growth strategy to extend mine life and maximise the value of existing infrastructure in its portfolio. This compelling offer is the next step in that growth strategy and is expected to provide significant benefits to both Explaurum and Ramelius Shareholders."*

A toll-free information line has been established for the purposes of the Offer. Shareholders can contact the Offer Information Line on 1800 237 687 (within Australia) or +61 1800 237 687 (from outside of Australia), Monday to Friday between 8.30am to 5.30pm (WST).

Ramelius has engaged Adelaide Equity Partners Ltd and Allion Partners as financial and legal advisors to this transaction respectively.

Investor enquiries:

Mark Zeptner

Managing Director

Ramelius Resources Limited

Ph: +61 8 9202 1127

Tim Manners

Chief Financial Officer

Ramelius Resources Limited

Ph: + 61 8 9202 1127

Duncan Gordon

Executive Director

Adelaide Equity Partners

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Media enquiries:

Luke Forrestal

Senior Account Director

Media & Capital Partners

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About Explaurum

Explaurum is an Australian mining, exploration and development company listed on the ASX under the code "EXU". Explaurum's principal asset is the Tampia Hill project located in the wheat belt of Western Australia, approximately 240km east of Perth (Tampia Hill Project).

The company owns a 90% interest in two mining leases and a surrounding exploration licence through a joint venture, plus a 100% interest in eight additional exploration licences that complement the original tenure (refer Figure 1).



Figure 1: Location of Tampia Gold Project

The results of the Tampia Hill Project's feasibility study (**Feasibility Study**) were released by Explaurum to the ASX on 30 May 2018. The Feasibility Study was based on a Mineral Resource of 11.7 million tonnes at 1.79 g/t Au for a total Resource of 675,000 ounces of gold, classified and reported in accordance with the JORC Code (2012). Reported Ore Reserves are 7.2 million tonnes at 2.09 g/t Au for 485,000 ounces of gold.

About Ramelius

Ramelius owns and operates the Mt Magnet, Edna May and Vivien gold mines, all in Western Australia (refer Figure 2).

Ore from the high-grade Vivien underground mine, located near Leinster, is trucked to the Mt Magnet processing plant where it is blended with ore from both underground and open pit sources.

The Edna May operation, purchased from Evolution Mining Limited in October 2017, is currently a single open pit operation feeding an adjacent processing plant.



Figure 2: Ramelius' Operations & Development Project Locations

Ramelius reported excellent financial and record breaking operational performances for Financial Year 2018. The Company reported Net Profit before Tax of A\$45.5M, the fourth consecutive annual profit reported by the company and an 81% increase on the Financial Year 2017 pre-tax profit.

The financial performance was achieved on the back of record production of 208,118 ounces of gold at an AISC of A\$1,191/oz for the year. Further to this, Ramelius has forecast to produce 200,000-220,000 ounces of gold at an AISC of A\$1,150-\$1,250/oz for the 2019 Financial Year.

Bid Conditions

The Offer and any contract arising from the acceptance of the Offer is subject to fulfilment or waiver of the following conditions before the end of the Offer Period.

(a) **No regulatory action**

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (i) there is not in effect any preliminary or final decision, order or decree issued by any Government Agency;
- (ii) no action or investigation is announced, commenced or threatened by any Government Agency; and
- (iii) no application is made to any Government Agency (other than by Ramelius or any Associate of Ramelius),

in consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or materially impact upon, the making of the Offers and the completion of any transaction contemplated by the Bidder's Statement or which requires the divestiture by Ramelius of any Explaurum Shares or any material assets of Ramelius or any of its Subsidiaries.

(b) **Gold price**

The spot gold price for gold as quoted on Bloomberg does not fall below A\$1350 per ounce at any time during a day for three consecutive days between the Announcement Date and the end of the Offer Period (each inclusive).

(c) **No persons exercising rights under certain agreements or instruments**

Between the Announcement Date and the end of the Offer Period, no person exercises any rights under any provision of any agreement or other instrument to which a member of the Explaurum Group is a party, or by or to which a member of the Explaurum Group or any of its Assets may be bound or be subject to:

- (i) require monies borrowed by, or other financial accommodation provided to, a member of the Explaurum Group to be paid or repaid immediately or earlier than the repayment or maturity date stated in such agreement or other instrument;
- (ii) terminate or modify any such agreement or instrument or require that any action be taken thereunder (including the acceleration of the performance of any obligation thereunder);
- (iii) terminate or modify the interest of a member of the Explaurum Group in any farm-in, farm-out, partnership, joint venture, trust, corporation or other entity (or any arrangements relating to such interest); or
- (iv) require that any Assets, shares or business of a member of the Explaurum Group be sold, transferred or offered for sale or transfer, including under any pre-emptive rights or similar provisions, as a result of the acquisition of Explaurum Group Shares by Ramelius.

(d) **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 Ramelius making the Offer or announcing its intention to make the Offer, or acquiring Explaurum Shares under the Offer, to:

- (i) acquire, or require the disposal of, or require any entity within the Explaurum Group to offer to dispose of, any Assets, shares or business of any entity within the Explaurum Group;
- (ii) terminate, or vary the terms of performance of, any agreement with any entity within the Explaurum Group; or
- (iii) terminate, or vary the terms of any material approvals, licenses or permits issued by any Government Agency to any entity within the Explaurum Group.

(e) **Material adverse change**

- (i) Between the Announcement Date and the end of the Offer Period (each inclusive) none of the following occurs (whether or not becoming public):
- (A) an Event (including a decision of a Government Agency or a change in law) occurs or will or is reasonably likely to occur;
 - (B) information is disclosed or announced by Explaurum concerning any Event; or
 - (C) information concerning any Event becomes known to Ramelius (whether or not becoming public),

(each of ((e)(i)(A)), ((e)(i)(B)) and ((e)(i)(C)) a **Specified Event**) which, whether individually or when aggregated with all such Events (including a decision of a Government Agency or a change in law) of a like kind that have occurred or are reasonably likely to occur, has had or would be considered reasonably likely to have:
- (D) a material adverse effect on the business, Assets, liabilities, financial or trading position, profitability or prospects of the Explaurum Group taken as a whole; or
 - (E) without limiting the generality of the previous clause;
 - (1) the effect of a diminution in the value of the consolidated net assets of the Explaurum Group, taken as a whole, by at least A\$1 million against what it would reasonably have been expected to have been but for such Specified Event; or
 - (2) the effect of impairing, terminating or otherwise adversely affecting or changing any Mining Tenement or any Authorisation in connection with any Mining Tenement.
- (ii) A Specified Event shall not include an Event:
- (A) fully and fairly disclosed by Explaurum on the ASX within 6 months prior to the Announcement Date;
 - (B) relating to the state of securities markets in general; or
 - (C) resulting from any changes generally affecting the gold mining industry which impact Explaurum and its competitors in a similar matter.
- (iii) In this condition, “**Event**” means any event, change, condition, matter, occurrence, development or thing.

(f) **No material acquisitions, disposals, cancellations or new commitments**

Except for any proposed transaction or item fully and fairly disclosed by Explaurum on the ASX within 6 months prior to the Announcement Date, none of the following events occur between the Announcement Date and the end of the Offer Period:

- (i) Explaurum or another member of the Explaurum Group acquires, offers to acquire or agrees to acquire one or more companies, businesses or Assets (or any interest in one or more companies, businesses or Assets including by way of joint venture or partnership) for an amount or consideration in excess of A\$1 million for any individual item or in excess of A\$1 million in aggregate;
- (ii) Explaurum or another member of the Explaurum Group disposes of, offers to dispose of or agrees to dispose of one or more companies, businesses or Assets (or any interest in one or more companies, businesses or Assets) either:
 - (A) for an amount or consideration in excess of A\$1 million for any individual item or in excess of A\$1 million in aggregate; or
 - (B) relating in any way to the Tampia Hill Project.
- (iii) a member of the Explaurum Group enters into or agrees to enter into any farm-in, farm-out, joint venture or partnership or other agreement that requires or is reasonably likely to involve payments, expenditure or the foregoing of revenue, by a member of the Explaurum Group in excess of A\$1 million in aggregate other than in the ordinary course of business;

- (iv) a member of the Explaurum Group enters into or agrees to enter into any form of agreement, whether binding or otherwise, with respect to the financing, engineering, procurement, construction or development of the Tampia Hill Project or announces an intention to do so; or
- (v) a Mining Tenement granted to or held by any member of the Explaurum Group is revoked, surrendered, relinquished or terminated or a member of the Explaurum Group agrees to the same without there being a reasonable likelihood of such tenement, permit or licence being allowed to continue, renewed or extended on terms which are no less favourable to the member of the Explaurum Group.

(g) **Prescribed occurrences**

Between the Announcement Date and the end of the Offer Period (each inclusive), none of the following prescribed occurrences (being the occurrences listed in section 652C of the Corporations Act) happen:

- (i) Explaurum converting all or any of the Explaurum Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (ii) Explaurum or any of its Subsidiaries resolving to reduce its share capital in any way;
- (iii) Explaurum or any of its Subsidiaries entering into a buyback agreement or resolving to approve the terms of a buyback agreement under section 257C(1) or 257D(1) of the Corporations Act;
- (iv) Explaurum or any of its Subsidiaries:
 - (A) issuing shares (other than Explaurum Shares issued as a result of the exercise of Explaurum Options or the Explaurum Performance Rights);
 - (B) granting an option over its shares; or
 - (C) agreeing to make such an issue or grant such an option;
- (v) Explaurum or any of its Subsidiaries issuing, or agreeing to issue, convertible notes;
- (vi) Explaurum or any of its Subsidiaries disposing or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (vii) Explaurum or any of its Subsidiaries granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- (viii) Explaurum or any of its Subsidiaries resolving that it be wound up;
- (ix) the appointment of a liquidator or provisional liquidator of Explaurum or any of its Subsidiaries;
- (x) the making of an order by a court for the winding up of Explaurum or any of its Subsidiaries;
- (xi) an administrator of Explaurum or any of its Subsidiaries being appointed under section 436A, 436B or 436C of the Corporations Act;
- (xii) Explaurum or any of its Subsidiaries executing a deed of company arrangement; or
- (xiii) the appointment of a receiver, receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of Explaurum or any of its Subsidiaries.

(h) **Statements to the ASX**

Between the Announcement Date and the end of the Offer Period (each inclusive), there not having occurred or been announced or become known to Ramelius or Explaurum that information announced by Explaurum to ASX prior to the Announcement Date and the end of the Offer Period (each inclusive) is, or is likely to be, incomplete, incorrect, untrue or misleading in a material respect (including by omission) such that Ramelius might reasonably be expected to have not proceeded with the Offer at all or would have proceeded with the Offer on materially different terms.

(i) **Conduct of business**

Between the Announcement Date and the end of the Offer Period (each inclusive) neither Explaurum nor any of its Subsidiaries:

- (i) announces, declares, or distributes any dividend, bonus or other share of its profits or assets;

- (ii) makes any changes to its constitution or passes any special resolution or amends the terms of issue of any shares, options, performance rights or other convertible securities;
 - (iii) borrows or agrees to borrow any money, other than in the ordinary course of business and in any event for an amount exceeding A\$1 million in aggregate;
 - (iv) provides a guarantee or indemnity or both to a third party for an amount that exceeds A\$1 million;
 - (v) creates any Security Interest over the whole or a substantial part of its business or Assets (other than a lien which arises by operation of law securing an obligation not yet due and consistent with past practice);
 - (vi) enters into any contract or commitment involving revenue or expenditure of more than A\$1 million over the term of the contract or commitment;
 - (vii) terminates, amends, waives or otherwise foregoes rights under any contract material to the conduct of the Explaurum Group's business or Assets or which involves revenue or expenditure of more than A\$1 million over the term of the contract or commitment;
 - (viii) acquires, offers to acquire, agrees to acquire or acquires any one or more businesses, Mining Tenements assets, entities or undertakings valued at, or involving a financial commitment of more than A\$1 million (individually or when aggregated with all other such matters arising after the Announcement Date), or makes an announcement or enters into an agreement in relation to such an acquisition, undertaking or financial commitment; or
 - (ix) conducts its business otherwise than in the ordinary course.
- (j) **No litigation on foot or pending**
- Between the Announcement Date and the end of the Offer Period (each inclusive) no litigation, claim, action or proceeding is pending or in progress, is commenced, is threatened to be commenced, is announced, or is made known to Ramelius (whether or not becoming public) or Explaurum, against any member of the Explaurum Group, which may result in a judgement of A\$1 million or more, other than that which is in the public domain as at the Announcement Date.
- (k) **Mining Tenements**
- Between the Announcement Date and the end of the Offer Period (each inclusive), otherwise than in the ordinary course of business, neither Explaurum nor any of its Subsidiaries:
- (i) 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 Mining Tenement;
 - (ii) relinquishes, sells or disposes of any interest or creates any Security Interest over any of its Mining Tenements;
 - (iii) takes any action or omits to take any action that results in or may reasonably be expected to result in a disposal of, or a breach of the terms of any of the Authorisations in connection with its Mining Tenement; or
 - (iv) 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 its Mining Tenements or any Authorisation relating to any of its Mining Tenements,
- including announcing an intention to do any of the above matters.
- (l) **Other persons acquiring a Relevant Interest**
- Prior to the end of the Offer Period, no person or persons (other than Ramelius and its Associates) acquire a Relevant Interest in 20% or more of the Explaurum Shares on issue.

Defined Terms

Announcement Date means the date of the announcement of the Offer by Ramelius on the ASX, being 10 September 2018.

Asset means the assets of the Explaurum Group including the Tampia Hill Project and any and all Mining Tenements.

Associate has the meaning set out in section 12 of the Corporations Act as if subsection 12(1) of the Corporations Act included a reference to this document and Explaurum was the designated body.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited and where the context requires, the Australian Securities Exchange.

Authorisation means any approval, licence, consent, authority or permit.

Bidder's Statement means the statement of Ramelius under Part 6.5 Division 2 of the Corporations Act relating to the Offer.

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

Explaurum means Explaurum Limited ABN 50 114 175 138.

Explaurum Group means the Explaurum and each of its Subsidiaries.

Explaurum Options means an option issued by the Explaurum to acquire an Explaurum Share.

Explaurum Performance Rights means a performance right issued by the Explaurum to acquire an Explaurum Share.

Explaurum Share means a fully paid ordinary share in the Explaurum.

Government Agency means any foreign or Australian government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity or any minister of the Crown in right of the Commonwealth of Australia or any State, and any other federal, state, provincial, or local government, whether foreign or Australian.

Offer means the offer for Explaurum Shares under the terms and conditions set out above and to be contained in the Bidder's Statement.

Offer Period means the period during which the Offer is open for acceptance in accordance with the Bidder's Statement.

Mining Tenement means any interest (including as holder, owner, operator or joint venturer) in a mining tenement, lease, licence, permit or similar and includes any extension, renewal, modification, replacement or substitution of the whole or any part thereof.

Ramelius means Ramelius Resources Limited ABN 51 001 717 540.

Relevant Interest has the meaning given in section 608 and 609 of the Corporations Act.

Security Interest means an interest or power:

- (a) reserved in or over an interest in any asset; or
- (b) created or otherwise arising in or over any interest in any asset under a security agreement, a bill of sale, mortgage, charge, lien, pledge, trust or power,

by way of, or having similar commercial effect to, security for the payment of a debt, any other monetary obligation or the performance of any other obligation, and includes, but is not limited to:

- (a) any agreement to grant or create any of the above; and
- (b) a security interest within the meaning of section 12(1) of the *Personal Property Securities Act 2009* (Cth).

Subsidiary has the meaning given in Division 6 of Part 1.2 of the Corporations Act.

Takeovers Panel means the Takeovers Panel referred to in Division 2, Part 6.10 of the Corporations Act.

Tampia Hill Project means Explaurum's gold project located at Tampia Hill, Western Australia.

ATTACHMENT 2 - ASX ANNOUNCEMENTS BY RAMELIUS SINCE 30 AUGUST 2018

The following table lists announcements made to the ASX by Ramelius over the period between 30 August 2018 and 10 September 2018.

Date	Headline
10/09/2018	Investor Presentation for the Takeover Offer
10/09/2018	Ramelius Resources Announces Takeover Offer for Explaurum Limited.
5/09/2018	Appendix 3B
5/09/2018	Vested and Lapsed Performance Rights
30/08/2018	Ramelius Profit up 74% on Record Production
30/08/2018	Appendix 4E and 2018 Annual Financial Report

CORPORATE DIRECTORY

Ramelius Resources Limited

ABN 51 001 717 540

Level 1, 130 Royal Street

East Perth WA 6010

Ramelius share registrar for the Offer*

Computershare Investor Services Pty Limited

GPO Box 1326

Adelaide SA 5000

Ramelius Offer Information Line

1800 237 687 (within Australia)

+61 1800 237 687 (from outside of Australia)

The Offer Information Line is open Monday to Friday between 8.30am to 5.30pm (WST)

Stock Exchange Listing

Ramelius ordinary shares are quoted by the Australian Securities Exchange (ASX: RMS)

Financial Adviser

Adelaide Equity Partners Limited

Level 3, 100 Pirie Street

Adelaide SA 5000

Legal Adviser for the Offer

Allion Partners

Level 9, 863 Hay Street

Perth WA 6000

Ramelius' Auditor*

Grant Thornton

Level 3

170 Frome Street

Adelaide, SA 5000

**Information purposes only.*