

30 April 2024

The Manager
Market Announcements Office
ASX Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

Dear Sir / Madam

Off-market takeover bid by Zhaojin Capital (Hong Kong) Limited – Fourth Supplementary Target's Statement

We refer to the off-market takeover offer by Zhaojin Capital (Hong Kong) Limited (**Zhaojin**) under Chapter 6 of the *Corporations Act 2001* (Cth) (**Corporations Act**) for all of the fully paid ordinary shares in Tietto Minerals Limited ACN 143 493 118 (**Tietto**) that Zhaojin does not already own (**Offer**). Tietto lodged a target's statement in connection with the Offer with the Australian Securities Exchange on 27 November 2023, a supplementary target's statement with the Australian Securities Exchange on 7 December 2023, a second supplementary target's statement with the Australian Securities Exchange on 21 December 2023, and a third supplementary target's statement with the Australian Securities Exchange on 18 April 2024.

We **enclose**, in accordance with section 647(3)(b) of the Corporations Act, a copy of Tietto's fourth supplementary target's statement that has been prepared in connection with the Offer.

Yours faithfully

Mr Matthew Foy
Company Secretary



Fourth Supplementary Target's Statement

1 Introduction

This document is a supplementary target's statement under section 644 of the *Corporations Act 2001* (Cth). It is the fourth supplementary target's statement (**Fourth Supplementary Target's Statement**) issued by Tietto Minerals Limited ACN 143 493 118 (**Tietto**) in relation to the unsolicited off-market takeover bid by Zhaojin Capital (Hong Kong) Limited (**Zhaojin**) to purchase all of the ordinary fully paid shares in Tietto that it does not already own (**Offer**).

This Fourth Supplementary Target's Statement supplements, and should be read together with, Tietto's target's statement dated 27 November (**Target's Statement**), Tietto's first supplementary target's statement dated 7 December 2023 (**First Supplementary Target's Statement**), Tietto's second supplementary target's statement dated 21 December 2023 (**Second Supplementary Target's Statement**) and Tietto's third supplementary target's statement dated 18 April 2024 (**Third Supplementary Target's Statement**).

Unless the context requires otherwise, terms defined in the Target's Statement have the same meaning in this Fourth Supplementary Target's Statement.

It is important that you read the Target's Statement, First Supplementary Target's Statement, Second Supplementary Target's Statement, Third Supplementary Target's Statement and this Fourth Supplementary Target's Statement in their entirety before making any investment decision and any decision relating to the Offer. This Fourth Supplementary Target's Statement prevails to the extent of any inconsistency with the Target's Statement, First Supplementary Target's Statement, Second Supplementary Target's Statement or Third Supplementary Target's Statement.

If you have any queries in relation to this Fourth Supplementary Target's Statement, please contact Tietto on +61 (8) 6392 0389, between 9.00 am and 5.00 pm (Perth time) Monday to Friday.

2 Change of Directors' recommendation in respect of the Offer

Please refer to the attached ASX announcement dated 30 April 2024 attached as Annexure A (**30 April 2024 Announcement**).

As set out in the 30 April 2024 Announcement, the Directors now consider that the risks associated with continuing to hold Tietto Shares outweigh the advantages of continuing to hold Tietto Shares, and now urge Tietto Shareholders to consider either **ACCEPTING** into the Offer, or otherwise selling their Tietto Shares on the ASX if the prevailing market price is not materially different to the Offer Price, without delay.

In particular, of the Directors that own or control Tietto Shares:

- Mr Matthew Wilcox and Mr Francis Harper have advised Tietto that they intend to sell all of the Tietto Shares they own or control on the ASX if the prevailing market price is not materially different to the Offer Price, or otherwise accept the Offer in respect of those Tietto Shares before the Offer closes;
- Mr Hanjing Xu has advised Tietto that he intends to accept the Offer in respect to all of the Tietto Shares he holds or controls before the Offer closes; and
- Mr Paul Kitto has advised Tietto that he intends to accept the Offer in respect to approximately half of the Tietto Shares he holds or controls before the Offer closes, and to sell the balance of those Tietto Shares on the ASX if the prevailing market price is not materially different to the Offer Price.

Details of the interests that Directors have in Tietto Shares are set out in Tietto's Third Supplementary Target's Statement.

The reasons for the change to the Directors' recommendation in respect of the Offer are set out in the 30 April 2024 Announcement and are elaborated on in **sections 2(a) to 2(e)** below.

A summary of some of the potential risks of accepting the Offer is set out in **section 3** of this Fourth Supplementary Target's Statement.

(a) Consequences of becoming a minority shareholder in Tietto

As set out in Tietto's Third Supplementary Target's Statement, the Offer Price has been increased to \$0.68 per Tietto Share and Zhaojin declared the Offer Price to be best and final and that it will not be increased.

Further, the Offer has been declared free of all remaining defeating conditions. Accordingly, Tietto Shareholders who have already accepted into the Offer are now unable to withdraw their acceptance of the Offer. Zhaojin also has the right to vote any Tietto Shares that have been accepted into the Offer.

Zhaojin has notified Tietto that as at 29 April 2024, it held voting power in Tietto of 42.51%. Tietto's Directors understand that two of Tietto's major shareholders who had previously indicated that they did not intend to accept Zhaojin's original Offer Price of \$0.58 per Tietto share may now have accepted into the increased Offer. Indeed, on 29 April 2024, Chifeng Jilong Gold Mining Co. (who previously held 12.47% of Tietto Shares) lodged a notice of ceasing to be a substantial holder confirming that it had accepted the Offer in respect to its holding of Tietto Shares.

Based on the historical levels of Tietto Shareholder participation in general meetings of Tietto, the Directors believe that Zhaojin may now have sufficient voting power to control the outcome of an ordinary resolution that may be put to Tietto Shareholders. This has a number of potential implications:

- If Zhaojin is in a position to cast the majority of votes at a general meeting of Tietto (which the Directors are concerned they will be able to do with a shareholding of at least 42.51%), Zhaojin will be able to control the composition of the Tietto Board and senior management, determine Tietto's dividend policy and control the strategic direction of Tietto and its subsidiaries (**Effective Control**). In section 6.4 of the Bidder's Statement, Zhaojin has stated that if Tietto becomes a part-owned controlled entity of Zhaojin, it may seek to replace some of the members of the

Tietto Board with nominees of Zhaojin, so that the proportion of such nominees is broadly similar to the voting power of Zhaojin;

- depending on the size of Zhaojin's ultimate interest in Tietto following the close of the Offer, it may be less likely that a third party will make an offer for Tietto Shares in future;
- the price of Tietto Shares may fall immediately following the close of the Offer Period, and it is unlikely that the price of Tietto Shares will contain any takeover premium whilst Zhaojin (or any other Tietto Shareholder) has Effective Control over Tietto;
- Zhaojin may undertake equity raisings in the future, which could dilute minority shareholders. Zhaojin specifically stated in its Bidder's Statement that "*Tietto may require ongoing capital raisings to fund its future exploration and development programs. Any subsequent equity capital raising could be dilutive for Tietto's Shareholders*";
- the liquidity of Tietto Shares may be lower than at present, partly because other investors may not want to be minority shareholders in Tietto at a time when Zhaojin has Effective Control;
- if Zhaojin acquires 75% or more of all Tietto Shares (as a result of the Offer or subsequently following the close of the Offer), it will be able to unilaterally pass special resolutions of Tietto; and
- Zhaojin has stated its intention to review the level of dividends payable by Tietto, having regard to any capital funding requirements of Tietto that may be identified by Zhaojin.

Further information regarding Zhaojin's intentions for Tietto as a part-owned, controlled entity are set out in section 6.4 of the Bidder's Statement.

Zhaojin has also indicated that if it becomes entitled to do so, it intends to compulsorily acquire any Tietto Shares in respect of which it has not received an acceptance of the Offer; and thereafter:

- arrange for Tietto to be removed from the official list of the ASX;
- replace the members of the Tietto Board with Zhaojin nominees; and
- retain Tietto's management team unless termination is in accordance with the ordinary course of business.¹

In addition, if it becomes entitled to do so, Zhaojin may compulsorily acquire or cancel any outstanding Tietto Options and Tietto Performance Rights then on issue in accordance with the provisions of Part 6A.2 of the Corporations Act.

Further information in regards to Zhaojin's intentions are set out in sections 6.3 and 6.4 of the Bidder's Statement, and section 4.5 of the Target's Statement.

¹ See section 6.3 of the Bidder's Statement.

(b) No further increase in the Offer Price

Zhaojin has declared the Offer Price of A\$0.68 per Tietto Share to be best and final and that it will not be increased. This means that Zhaojin now cannot further increase the Offer Price.

In light of this, and having regard to the Directors' views regarding the likely impact of Zhaojin acquiring Effective Control on the price and liquidity of Tietto Shares, the Directors consider that the Offer Price may be the highest price Tietto Shareholders are likely to be offered for their Tietto Shares in the near future.

(c) The Offer is now unconditional and provides for a certain cash value for Tietto Shareholders who accept the Offer

As the Offer is now unconditional, Tietto Shareholders who accept the Offer will receive \$0.68 cash per Tietto Share within the earlier of 1 month of accepting the Offer and 21 days of the close of the Offer Period. Accepting the Offer will result in result in a certain cash value being paid for your Tietto Shares (without incurring any brokerage fees), and removes any exposure to future risks and uncertainties associated with an investment in Tietto.

The Directors note that the closing price of a Tietto Share on ASX as at 29 April 2024 was \$0.675, being only a small discount to the Offer Price of \$0.68 per Tietto Share. The Directors note that the proceeds of an on-market sale of Tietto Shares on ASX are likely to be received sooner than the likely timing for receipt of the Offer consideration under the Offer², such that some Tietto Shareholders may prefer to sell their Tietto Shares on ASX at prevailing market prices, if those prices are not materially different to the Offer Price. As the price of Tietto Shares on ASX will fluctuate, Tietto Shareholders who wish to consider selling their Tietto Shares on-market on ASX should closely monitor the trading prices for Tietto Shares before making any decision, and if in doubt, should speak with their broker or other financial adviser.

(d) As at the date of this Fourth Supplementary Target's Statement, no superior proposal for Tietto has emerged

The Directors are not aware of any competing takeover proposal that is likely to emerge for Tietto.

(e) The price of Tietto Shares is likely to fall

While there are many factors that influence the market price of Tietto Shares, the Directors believe that the market price of Tietto Shares is likely to fall below the Offer Price of A\$0.68 per Tietto Share following the close of the Offer, on the basis that Zhaojin has, or is likely to soon have, acquired Effective Control of Tietto.

3 Risks associated with accepting the Offer

Tietto Shareholders should be aware that there are various potential risks associated with accepting the Offer. Some of those potential risks include:

² Settlement of the sale of Tietto shares on-market on the ASX occurs on a T+2 basis. Tietto shareholders who accept the Offer will receive the Offer consideration for their Tietto shares on or before the earlier of (i) one month after the date of their acceptance of the Offer; and (ii) 21 days after the close of the Offer.

- you will no longer have any exposure to Tietto's assets and operations, and will lose the benefit of any near-term upside of continued exposure to Tietto's assets and operations;
- you may be liable to pay tax on the disposal of your Tietto Shares; and
- you will not be able to sell your Tietto Shares on-market.

Further information regarding some of the potential risks associated with accepting the Offer is set out in section 7.2 of the Target's Statement.

4 Extension of Offer Period

Zhaojin has extended the Offer Period such that it is now scheduled to close at 7:00 pm (Sydney time) on Thursday, 2 May 2024 (unless extended or withdrawn).

If Zhaojin's voting power in the Company increases to more than 50% within the last seven days of the Offer Period, the Offer Period will automatically be extended by a further 14 days from the date of the relevant increase.

5 Proposed issue of securities in Tietto

Tietto Shareholders should be aware that at Tietto's upcoming annual general meeting, which is currently scheduled to be held on Friday, 24 May 2024 (**Annual General Meeting**), approval is being sought from Tietto Shareholders for, amongst other things, the issue of:

- 5,000,000 Tietto Options; and
- 1,338,464 Tietto Performance Securities,

to Mr Matthew Wilcox, Tietto's Managing Director (**Director Securities**).

It is also proposed that in addition to the proposed issue of the Director Securities, Tietto will issue a further 2,979,917 performance rights to certain other employees of Tietto (**Employee Securities**). No shareholder approval is required, or is being sought, for the issue of the Employee Securities. The Director Securities and Employee Securities are proposed to be issued under the terms of Tietto's long term incentive plan (for which approval is being sought at the Annual General Meeting).

6 Other ASX announcements

Since 18 April 2024 (being the date on which the Third Supplementary Target's Statement was lodged with ASX), Tietto has made the following ASX announcements:

Date	Announcement
23 April 2024	Change in substantial holding
24 April 2024	Change in substantial holding
24 April 2024	Notice of Annual General Meeting/Proxy Form

Date	Announcement
24 April 2024	Letter to Shareholders - Notice of Annual General Meeting
24 April 2024	Notice that defeating conditions to takeover bid freed
24 April 2024	Notice of status of defeating conditions
26 April 2024	Change in substantial holding
29 April 2024	Change in substantial holding
30 April 2024	Ceasing to be a substantial holder
30 April 2024	Change in substantial holding
30 April 2024	Takeover Offer Update

7 Consents

As permitted by ASIC Corporations (Takeover Bids) Instrument 2023/683 (**ASIC Instrument 2023/683**), this Fourth Supplementary Target's Statement contains statements that are made, or based on statements made, in documents lodged with ASIC or ASX (in compliance with the ASX Listing Rules). Pursuant to ASIC Instrument 2023/683, the consent of persons such statements are attributed to is not required for the inclusion of those statements in this Fourth Supplementary Target's Statement.

Any Shareholder who would like to receive a copy of any of the documents (or parts of the documents) that contain the statements which have been included pursuant to ASIC Instrument 2023/683 may obtain a copy (free of charge) during the Offer Period by contacting Matthew Foy, Tietto's Company Secretary, between 9.00 am and 5.00 pm (Perth time) Monday to Friday on +61 (8) 6392 0389. The copy will be provided within two Business Days of the request.

In addition, as permitted by ASIC Corporations (Consents to Statements) Instrument 2016/72 (**ASIC Instrument 2016/72**), this Fourth Supplementary Target's Statement may include or be accompanied by certain statements:

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

Pursuant to ASIC Instrument 2016/72, the consent of persons to whom such statements are attributed is not required for inclusion of those statements in this Fourth Supplementary Target's Statement.

8 Authorisation

A copy of this Fourth Supplementary Target's Statement was lodged with ASIC on 30 April 2024 and provided to ASX on that date. Neither ASIC, ASX nor any of their

respective officers take any responsibility for the content of this Fourth Supplementary Target's Statement.

This Fourth Supplementary Target's Statement has been approved by a resolution passed by your Directors. Each of your Directors voted in favour of that resolution.

Date: **30 April 2024**

Signed for and on behalf of
Tietto Minerals Limited by

Francis Harper

Mr Francis Harper
Non-Executive Chairman

30 April 2024



ASX: TIE

Annexure A

30 April 2024 Announcement

30 April 2024

TAKEOVER OFFER UPDATE

Change in Tietto Director recommendation to consider ACCEPTING the Zhaojin Offer, or selling Tietto shares on-market if the prevailing market price is not materially different to the Offer price, without delay

- The Tietto Directors continue to believe that Zhaojin's Offer was opportunistically timed and materially undervalues Tietto.
- However, as at 29 April 2024, Zhaojin held 42.51% of Tietto's issued share capital. Based on these acceptances, it appears clear that certain of Tietto's key shareholders have accepted into Zhaojin's Offer such that there is now a real risk that Zhaojin can control the composition of Tietto's Board.
- Zhaojin's has now declared its increased Offer price of \$0.68 per Tietto share to be best and final. Zhaojin has also declared its takeover offer to be unconditional.
- Zhaojin's Offer is scheduled to close at 7.00pm (Sydney time) on Thursday, 2 May 2024 (unless extended or withdrawn).
- In light of these developments, the Tietto Directors now unanimously urge Tietto shareholders to consider ACCEPTING into Zhaojin's Offer, or selling their Tietto shares on-market if the prevailing market price is not materially different to the Offer price, without delay.

Dear Fellow Shareholder,

On behalf of the Tietto Board, I wish to provide you with an important update regarding the unsolicited off-market takeover offer made by Zhaojin Capital (Hong Kong) Limited (**Zhaojin**) for all of the issued shares in Tietto Minerals Limited (**Tietto** or the **Company**) that Zhaojin does not already own (the **Offer**), and the Tietto Directors' recommendation as to what you should do in relation to the Offer.

As you may be aware:

- **The Offer price was recently increased to \$0.68 per Tietto share and declared best and final:** On 15 April 2024, the Offer price was increased from \$0.58 per Tietto share to \$0.68 per Tietto share, and Zhaojin declared this increased Offer price to be best and final and that it will not be increased.

- **The Offer was recently declared unconditional:** On 24 April 2024, the Offer was declared free of all remaining defeating conditions. Accordingly, Tietto shareholders who have already accepted into the Offer are now unable to withdraw their acceptance of that Offer. Further, Zhaojin now has the right to vote any Tietto shares that have been accepted into the Offer.
- **Zhaojin's voting power in Tietto now in excess of 42%:** Zhaojin has notified Tietto that as at 29 April 2024, it held voting power in Tietto of 42.51%. Tietto's Directors understand that two of Tietto's major shareholders who had previously indicated that they did not intend to accept Zhaojin's original Offer price of \$0.58 per Tietto share may now have accepted into the increased Offer.
- **Tietto's Directors believe that Zhaojin's voting power may be sufficient to control the composition of Tietto's Board:** Based on the historical levels of Tietto shareholder participation in general meetings, the Tietto Directors believe that Zhaojin may now have sufficient voting power to control the outcome of an ordinary resolution that may be put to Tietto shareholders. As such, the Tietto Directors are concerned that Zhaojin may now be in a position to control the composition of Tietto's Board, and therefore effectively control the Company's future financial and operating policies.

The Tietto Directors note that the Offer price of \$0.68 per Tietto share is below the value assessed by Grant Thornton Limited, the independent expert appointed by Tietto to opine on the Offer, (**Independent Expert**) to be fair and reasonable to Tietto shareholders not associated with Zhaojin.

However, as a result of the above developments, the Tietto Directors now consider that the risks associated with continuing to hold Tietto shares outweigh the advantages of continuing to hold Tietto shares, and now urge Tietto shareholders to consider either ACCEPTING into the Offer, or otherwise selling their Tietto shares on the ASX if the prevailing market price is not materially different to the Offer price, without delay.

The Tietto Directors note that the closing price of a Tietto share on ASX as at 29 April 2024 was \$0.675, being only a small discount to the Offer price of \$0.68 per Tietto share. The Tietto Directors note that the proceeds of an on-market sale of Tietto shares on ASX are likely to be received sooner than the likely timing for receipt of the Offer consideration under the Offer¹, such that some Tietto shareholders may prefer to sell their Tietto shares on ASX at prevailing market prices, if those prices are not materially different to the Offer price. As the price of Tietto shares on ASX will fluctuate, Tietto

¹ Settlement of the sale of Tietto shares on-market on the ASX occurs on a T+2 basis. Tietto shareholders who accept the Offer will receive the Offer consideration for their Tietto shares on or before the earlier of (i) one month after the date of their acceptance of the Offer; and (ii) 21 days after the close of the Offer.

shareholders who wish to consider selling their Tietto shares on-market on ASX should closely monitor the trading prices for Tietto shares before making any decision, and if in doubt, should speak with their broker or other financial adviser.

As set out above, the Tietto Directors are concerned that Zhaojin may have already acquired effective control of Tietto, enabling Zhaojin to control the composition of the Tietto Board and the senior management of Tietto, and consequently control the outcome of decisions by the Tietto Board regarding Tietto's dividend policy and future strategic direction.

By accepting the Offer or otherwise selling Tietto shares on-market at prevailing prices, the Tietto Directors note that Tietto shareholders will receive a certain cash price for their Tietto shares and avoid the risks associated with being a minority shareholder in Tietto that may be controlled by Zhaojin. Other risks of remaining a shareholder of Tietto include reduced liquidity of Tietto shares and the risk that Tietto shares trade lower than the Offer price of \$0.68 per Tietto share after the Offer closes.

The Tietto Directors note that since the announcement of the Offer on 30 October 2023, no superior proposal for Tietto has emerged, and the Tietto Directors are not aware of any competing takeover proposal that is likely to emerge for Tietto.

As a result of the above developments, all of the Tietto Directors that own or control Tietto shares now intend to either accept into the Offer, or otherwise sell their Tietto shares on the ASX if the prevailing market price is not materially different to the Offer price.

In particular, of the Tietto Directors that own or control Tietto shares:

- Mr Matthew Wilcox and Mr Francis Harper have advised Tietto that they intend to sell all of the Tietto shares they own or control on the ASX if the prevailing market price is not materially different to the Offer price, or otherwise accept the Offer in respect of those Tietto shares before the Offer closes;
- Mr Hanjing Xu has advised Tietto that he intends to accept the Offer in respect to all of the Tietto shares he holds or controls before the Offer closes; and
- Mr Paul Kitto has advised Tietto that he intends to accept the Offer in respect to approximately half of the Tietto shares he holds or controls before the Offer closes, and to sell the balance of those Tietto shares on the ASX if the prevailing market price is not materially different to the Offer price.

Details of the interests that Tietto Directors have in Tietto shares are set out in Tietto's Third Supplementary Target's Statement dated 18 April 2024.

Tietto shareholders should be aware that by accepting the Offer or otherwise selling their Tietto shares on-market at prevailing prices, they may pay tax in the current financial year on any gain that is crystallised as a result of the disposal of their Tietto

shares to Zhaojin. For further information about the tax considerations of accepting the Offer, please refer to section 7 of Zhaojin's Bidder's Statement dated 30 October 2023 (**Zhaojin Bidder's Statement**).

For further information about the advantages and disadvantages of the Zhaojin Offer and the risks associated with remaining a minority shareholder of Tietto, see sections 1, 4.5, 4.6, 4.7 and 7.3 of the Target's Statement dated 27 November 2023.

The Offer is due to close at 7.00pm (Sydney time) on Thursday, 2 May 2024 unless extended or withdrawn, so Tietto shareholders who wish to accept the Offer should **act now without delay**.

Tietto shareholders who wish to **ACCEPT** the Offer:

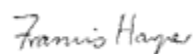
- who are issuer sponsored shareholders, must accept the Offer by completing a physical acceptance form and returning it in accordance with the instructions provided in Zhaojin's bidder's statement; or
- whose shares are registered in a CHESS holding, may accept the Zhaojin Offer by completing a physical acceptance form or by contacting their 'controlling participant', in each case in accordance with the instructions provided in Zhaojin's bidder's statement.

For further information about how to accept the Offer, please refer to section 9.3 of Zhaojin's Bidder's Statement. You can also call the Offer Information Line on 1300 918 419 (within Australia) or +61 3 9946 4423 (from outside of Australia), Monday to Friday (excluding public holidays) between 8.30am and 5.00pm (Sydney time).

If you are in any doubt about what you should do, the Tietto Directors encourage you to seek urgent advice from your broker, financial adviser or legal adviser.

On behalf of my fellow Directors, we thank all Tietto shareholders for their longstanding support and remain incredibly proud of the significant achievements of the management team, including successfully bringing the Abujar Gold Project into production and the strong progress made with ramp up to date.

Yours faithfully,



Francis Harper
Chairman
Tietto Minerals Limited