



ASX Release

30 July 2021

AuStar Gold Limited ACN 107 180 441
Registered office: 6 Bridge Street, Woods Point, VIC 3723

SCHEME MEETINGS - CHAIRMAN'S ADDRESS AND PRESENTATION

AuStar Gold Limited (**AuStar** or **Company**) refers to the proposed schemes of arrangement under which White Rock Minerals Limited (**White Rock**), an Australian minerals and exploration and development company, will acquire 100% of AuStar (**Schemes**).

In accordance with ASX Listing Rule 3.13.3, attached to this announcement are the following documents to be presented at AuStar's Share Scheme Meeting commencing from 10.00am (AEST) today, and Option Scheme Meeting commencing the later of 11.00am and the closing or adjournment of the Share Scheme Meeting today:

1. Chairman's address for the AuStar Share Scheme Meeting; and
2. Chairman's address for the AuStar Option Scheme Meeting.

AuStar Securityholders may participate in the Share Scheme Meeting and Option Scheme Meeting via the online platform at

https://us02web.zoom.us/webinar/register/WN_KilEhnCzTy6k2WA4ws_hOQ.

The voting results of the Scheme Meetings will be communicated to the ASX shortly after the conclusion of the Scheme Meetings.

For further information, please contact:

Ms. Toni Griffith

Company Secretary

AuStar Gold Limited

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Important information

This article is for general information only. It has been prepared without considering your objectives, financial situation or needs. You should, before acting on the contents of this article, consider its appropriateness to your circumstances.



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CHAIRMAN'S ADDRESS TO SHARE AND OPTION SCHEME MEETINGS

On behalf of the board and management team, I welcome you to these Scheme Meetings, which have been convened pursuant to orders of the Federal Court of Australia made on the 22 June and 23 July 2021.

Today involves two meetings of AuStar securityholders back to back. The first meeting (this meeting) is the Share Scheme Meeting to consider and vote on the proposed scheme of arrangement between AuStar Gold and its shareholders. The second meeting is the Option Scheme Meeting at which AuStar listed optionholders will consider and vote on the proposed scheme of arrangement between AuStar Gold and its listed optionholders. Further details of the two scheme meetings are set out in the Scheme Booklet and the Notices of Meeting which are Attachments 5 and 6 to the Scheme Booklet, despatched to AuStar securityholders.

Overview of the Schemes

Before moving to our formal business, I would like to say a few words about the proposed schemes of arrangement.

On 3 February 2021, AuStar entered into a merger implementation deed with White Rock Minerals Limited. Under the merger implementation deed, it was proposed that White Rock would acquire all AuStar Gold shares by way of a scheme of arrangement. The merger implementation deed was amended and restated on 30 April 2021 to include an option scheme of arrangement, under which it was proposed that White Rock would acquire all of the AuStar Gold listed options, in addition to the shares.

If the Share Scheme and Option Scheme are approved by the requisite majorities of AuStar Gold securityholders at the scheme meetings and by the Court and if all other necessary approvals and conditions for the schemes are satisfied or waived, AuStar will become a wholly-owned



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subsidiary of White Rock and be delisted from the ASX.

Details of the schemes of arrangement are also outlined in detail in the Scheme Booklet, which was made available to Securityholders in accordance with the orders of the Federal Court of Australia.

If the Share Scheme is approved and implemented, AuStar Gold shareholders will receive consideration of 0.78 new White Rock shares for each AuStar Gold share they held at 7 pm (AEST) on the Record Date.

If the Option Scheme is implemented, AuStar Gold listed optionholders will receive 1 new White Rock option exercisable at \$0.77 and otherwise on substantially the same terms as the terms of the AuStar Gold listed options, for every AuStar Gold listed option they hold at 7.00pm (AEST) on the Record Date.

Purpose of scheme meetings

Today, AuStar Gold Securityholders will be asked to consider and vote on resolutions in relation to the proposed acquisition which requires their approval for it to proceed.

Firstly, I will provide an overview of the Directors' recommendation and the Independent Expert's conclusion in respect of the proposed schemes of arrangement. I will then present the scheme resolutions to be considered, following which there will be time for questions and answers.

Scheme booklet and directors' recommendation

AuStar Gold Securityholders will have received the Scheme Booklet, together with a proxy form and notice of meeting for each of the share scheme meeting and option scheme meeting.

Due to the restrictions arising from the Covid-19 pandemic, the Federal Court of Australia made orders which changed the Scheme Meetings from physical meetings, to being convened and conducted virtually.

As a result of this change the Scheme Booklet was revised to provide details on how to access the virtual Scheme Meetings. Securityholders will have received either an email or hardcopy



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letter containing instructions on how to access the revised Scheme Booklet. The revised Scheme Booklet is also available on the Company website, and it was attached to an ASX announcement made by the Company last Friday, 23 July 2021. AuStar Gold Securityholders have also received either a link to submit a proxy or direct vote if you elected to receive communications electronically or, if you did not, you will have been sent a hardcopy personalised voting form.

The revised Scheme Booklet, which will be taken as read, includes:

- a notice convening today's Scheme Meetings;
- an overview of the Schemes and how to vote;
- the key considerations relevant to each AuStar Gold Securityholder's vote including key risk factors;
- frequently asked questions;
- information about AuStar Gold and White Rock;
- the schemes of arrangement;
- the executed deed poll; and
- the independent expert's report.

The AuStar Gold Directors unanimously recommended that AuStar Gold Securityholders approve the Schemes by voting in favour of the scheme resolutions, subject to no superior proposal being made to acquire AuStar Gold and the Independent Expert concluding, and continuing to conclude, that the Schemes are in the best interests of AuStar Gold Securityholders.

As at the date of these Scheme Meetings, no superior proposal to acquire AuStar Gold has emerged and the Independent Expert has continued to conclude that the Schemes are in the best interests of AuStar Gold Securityholders. Accordingly, all of my fellow AuStar Gold Directors and I intend to vote all of the AuStar Gold shares and listed options held or controlled by us in favour of the Schemes.

The details of the basis for the AuStar Gold Directors' recommendation and the reasons to vote



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in favour of the Schemes or to vote against the Schemes were set out in the Scheme Booklet.

In making their recommendation, the members of the AuStar Gold Board have considered an extensive range of issues and have had regard to their overarching responsibility to act in the best interests of shareholders and option holders.

Independent Expert

The AuStar Gold Directors appointed RSM Corporate Australia Pty Ltd as the Independent Expert to assess the merits of the Schemes. A copy of the Independent Expert's Report is also included in the Scheme Booklet. The Independent Expert has concluded that the Schemes are fair and reasonable and therefore in the best interests of AuStar Gold Securityholders, in the absence of a superior proposal emerging.

Status of conditions precedent

The Revised Merger Implementation Deed contains a number of conditions precedent, which are outlined in section 9.7 of the scheme booklet.

The key conditions which remain outstanding are:

- shareholder approval of the Share Scheme at today's Share Scheme Meeting;
- option holder approval of the Option Scheme at today's Option Scheme Meeting; and
- final approval of the Schemes by the Federal Court of Australia at the second court hearing which is currently scheduled for 11 August 2021.

Nothing has occurred to date which would prevent those conditions from being satisfied.

The AuStar Gold Directors confirm that as at the date of these Scheme Meetings:

- no superior proposal has been received by AuStar Gold since the announcement of the entry into the Merger Implementation Deed on 3 February 2021; and
- the Independent Expert has not changed its opinion that the Schemes are fair and reasonable and therefore in the best interests of AuStar Gold Securityholders, in the absence of a superior proposal emerging.



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Accordingly, the AuStar Gold Directors unanimously recommend that AuStar Gold Securityholders approve the Schemes by voting in favour of the scheme resolutions.

Requisite majorities for Schemes to be approved

The Share Scheme and Option Scheme (together, the Schemes) are conditional upon each other. If the Share Scheme or Option Scheme is not approved by the requisite majorities of AuStar Securityholders or the Court, neither of the Schemes will become Effective and the Merger with White Rock will not proceed.

The Share Scheme Resolution needs to be approved by the requisite majorities of AuStar Gold Shareholders at the Share Scheme Meeting and the Option Scheme Resolution also needs to be approved by the requisite majorities of AuStar Gold Optionholders at the Option Scheme Meeting. The requisite majorities are:

- at least 75% of the total number of the votes cast on the Share Scheme Resolution and/or on the Option Scheme Resolution (either personally, by proxy, attorney or corporate representative); and
- a majority in number (more than 50%) of AuStar Gold Securityholders virtually present and voting on the Share Scheme Resolution and/or on the Option Scheme Resolution (at these virtual Scheme Meetings, either personally or by proxy, attorney or corporate representative).

Implementation of the Schemes

If both the Share Scheme Resolution and Option Scheme Resolution are passed by the AuStar Gold Securityholders by the requisite majorities at each scheme meeting, the second court hearing will be held at 10.15am (Melbourne time) on 11 August 2021. If the Court approves the Schemes, a copy of the Court order approving the Schemes will be lodged with ASIC and the Schemes will become effective.

On the Implementation Date, which is currently expected to be 23 August 2021, all AuStar Gold



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shares and listed options will be transferred to White Rock and all AuStar Gold Securityholders who are registered on the Scheme Record Date, which is expected to be 16 August 2021, will receive:

- 0.78 new White Rock shares for each AuStar Gold share they hold; and/or
- 1 new White Rock option exercisable at \$0.77 and otherwise on substantially the same terms as the terms of the AuStar Gold listed options, for every AuStar Gold option they hold.

Released for, and on behalf of, the board of AuStar Gold Limited.

AuStar Gold welcomes shareholder communication and invites all interested shareholders to make contact at any time.

About AuStar Gold Limited:

AuStar Gold is focused on building a valuable minerals inventory to generate sustainable economic production from its portfolio of advanced high-grade gold projects - with significant infrastructure including processing plant, a strategic tenement footprint, and current production from Morning Star. In addition, AuStar Gold intends to develop its adjoining tenements in the Walhalla to Jamieson gold district (particularly the prolific Woods Point Dyke Swarm) into low-cost high-grade gold production projects.

Disclaimer:

Statements in this document that are forward-looking and involve numerous risk and uncertainties that could cause actual results to differ materially from expected results are based on the Company's current beliefs and assumptions regarding a large number of factors affecting its business. There can be no assurance that (i) the Company has correctly measured or identified all of the factors affecting its business or their extent or likely impact; (ii) the publicly available information with respect to these factors on which the Company's analysis is based is complete or accurate; (iii) the Company's analysis is correct; or (iv) the Company's strategy, which is based in part on this analysis, will be successful.