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26 March 2024

Privileged and confidential

Market Announcements Office
Australian Securities Exchange (ASX)
Exchange Centre
20 Bridge Street
Sydney NSW 2000

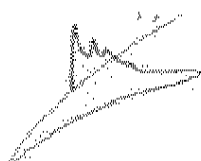
Dear Sir/Madam

On-market takeover bid by PRM Services LLC (registration Number 387071)– Replacement Bidder's Statement

We act for PRM Services LLC (registration Number 387071) (PRM) in relation to its on-market takeover offer (Offer) for all of the shares in Sierra Rutile Holdings (ACN 613 822 165) (SRX) that are not owned by PRM.

Further to PRM's announcement today attaching its first supplementary bidder's statement dated in respect of the Offer, we enclose, by way of service pursuant to section 635A(2)(c) of the Corporations Act (as inserted by ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688) a copy of PRM's replacement bidder's statement in respect of the Offer.

Yours faithfully



Michael Kenny
Partner

ACCEPT

UNCONDITIONAL MARKET OFFER

by

PRM SERVICES LLC

Registration Number 387071

to acquire all of your shares in

Sierra Rutile Holdings

ACN 613 822 165

For each share you will receive A\$0.095 in cash.

Canaccord Genuity (Australia) Limited (ACN 075 071 466) and AFSL 234666 has been appointed by PRM as its Broker to stand in the market and purchase shares in Sierra Rutile Holdings Ltd offered to it at the Offer Price from **4 April 2024**.

The Offer Period officially closes at 4.00 pm (Melbourne time) on 5 May 2024 unless extended.

This is an important document and requires your immediate attention. If you are in doubt as to how to deal with this document, you should consult your financial or other professional advisers as soon as possible.

Broker



Legal Adviser

gadens

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Important information

Important dates

Event	Time and Date
Announcement of Offer	20 March 2024
Date of the original Bidder's Statement lodged with ASIC, ASX and SRX	20 March 2024
Date of this replacement Bidder's Statement lodged with ASIC, ASX and SRX	26 March 2024
Earliest date from which SRX Shareholders are able to sell SRX Shares to PRM	20 March 2024
Offer Period officially opens	10:00 am (Melbourne time) on 4 April 2024
Offer Period closes* (unless extended)	4.00 pm (Melbourne time) on 5 May 2024

*This date is indicative only and may be extended as permitted by the Corporations Act. All dates and times are references to the date and/or time in Melbourne, Victoria, Australia, unless otherwise stated.

Bidder's Statement

This document is the replacement Bidder's Statement issued by PRM (**PRM**) under Part 6.5 of the Corporations Act (as modified by ASIC Class Order 2023/688). PRM is a Puerto Rican registered company that is majority owned by Craig Dean, the director and chief executive officer of PRM. This replacement Bidder's Statement is dated 26 March 2024 and includes an offer to acquire all SRX Shares (other than those already owned by PRM and its Associates) as described in Section 10 (**Offer**).

This replacement Bidder's Statement is dated 26 March 2024 and replaces the original Bidder's Statement lodged with ASIC on 20 March 2024. A copy of this replacement Bidder's Statement was lodged with ASIC on 26 March 2024. Neither ASIC nor any of its officers takes any responsibility for the content of this replacement Bidder's Statement or the merits of the Offer.

No account of personal circumstances

The information provided in this Bidder's Statement is not investment advice and does not take into account the individual investment objectives, financial situation and particular needs of each shareholder of Sierra Rutile Holdings Ltd (**SRX**). You should consider the contents of this Bidder's Statement in light of your personal circumstances (including financial and taxation issues) and seek independent professional advice from an accountant, stockbroker, lawyer or other professional advisor before making a decision as to whether or not to accept the Offer.

Reserves and resources

Unless otherwise indicated, all reserves and resources information in respect of SRX has been extracted from information included in public documents filed by SRX. This information has not been verified by PRM.

Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which SRX operates, as well as general economic conditions, prevailing exchange rates, interest rates and conditions in the financial markets in Australia and globally. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. Matters as yet not known to PRM or not currently considered material by PRM may cause actual results or events to be materially different from those expressed, implied or projected in any forward-looking statements. Any forward-looking statement contained in this document is qualified by this cautionary statement.

None of PRM or any of the officers or employees of PRM, nor any persons named in this Bidder's Statement 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. The forward-looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

Disclaimer as to information on SRX

The information concerning SRX contained in this Bidder's Statement has been obtained from publicly available sources. The information in this Bidder's Statement concerning SRX's financial position, assets and liabilities and performance, profits and losses and prospects of the SRX group has not been independently verified by PRM or any of its respective officers or employees. Neither PRM nor any of its directors, officers or advisers assume any responsibility for the accuracy or completeness of this information. Accordingly, subject to the Corporations Act, PRM does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information. The information concerning SRX contained in this Bidder's Statement should not be deemed to be comprehensive.

Further information on SRX's business will likely be included in the Target's Statement which SRX is required to provide to SRX Shareholders in response to this Bidder's Statement.

Foreign shareholders

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia and the Listing Rules. The disclosure requirements in relation to the Offer in Australia will differ from those applying in other jurisdictions.

The distribution of this Bidder's Statement may be restricted in some countries. Therefore, persons who come into possession of this Bidder's Statement should make themselves aware of, and comply with, those restrictions.

This document does not constitute an offer to acquire SRX Shares in any jurisdiction in which such an offer would be illegal.

Privacy

PRM has collected your information from the register of SRX Shareholders for the purpose of making the Offer and, if accepted, administering acceptances over, your shareholding in SRX. The Corporations Act requires the name and address of SRX Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to PRM and its respective officers, employees, advisers and other external service providers, and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by PRM, please call Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9:00 am to 5:00 pm (GMT -4) on Business Days, or contact your legal, financial or other professional adviser.

Effect of rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement may be subject to the effect of rounding. Accordingly, the actual figures may vary from those included in this Bidder's Statement. Any discrepancies between totals in tables or financial statements or in calculations graphs or charts are due to rounding.

Estimates and assumptions

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Bidder's Statement are references to estimates, assumptions and derivations of the same by PRM. Management estimates reflect, and are based on, views as at the date of this Bidder's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

Websites

References in this Bidder's Statement to SRX's website (<https://sierra-rutile.com/https://www.mincor.com.au/site/content/>) are for your reference only. Information contained in or otherwise accessible from these websites are not part of this Bidder's Statement.

How to accept

To accept the Offer, follow the instructions set out in Section 2 of this Bidder's Statement.

Defined terms

A number of defined terms are used in this Bidder's Statement. Unless the context otherwise requires, capitalised terms have the meaning given in Section 11 of the Bidder's Statement.

This is an important document and should be read in its entirety before you decide whether to accept the Offer. If you are in any doubt as to how to deal with this document or whether to accept the Offer, you should consult your financial or other professional advisers.

If you have any questions or require any further information in relation to the Offer, please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9:00 am to 5:00 pm (GMT -4 time zone) on Business Days, or contact your legal, financial or other professional adviser.

Letter from PRM

26 March 2024

Dear SRX Shareholder,

I am pleased to present this offer (the **Offer**) by PRM Services LLC (Registration Number 387071) (**PRM**), to acquire all of your SRX Shares for A\$0.095 per SRX Share in cash (the **Offer Price**), which provides you with an attractive, certain and immediate value for your SRX Shares.

PRM has an interest and Voting Power of approximately 11.46% of SRX Shares.

A summary of the key reasons for accepting the Offer are as follows:

- The Offer Price represents fair value given that it is a premium of 21.79% to the closing price of SRX Shares on the most recent day of trading preceding the Announcement Date.
- The Offer Price will be paid to you in cash, providing you with certain value for your SRX Shares.
- As the Offer is unconditional, you can sell some or all of your SRX Shares for 100% cash consideration at the Offer Price to PRM immediately on ASX and receive cash 2 Trading Days (T+2) after your acceptance.
- Accepting the Offer and selling your SRX Shares now removes any risks that could otherwise affect the future value of your SRX Shares.

The Offer may only be accepted by selling your SRX Shares on-market on the ASX. You can do this through your Broker. Canaccord has been appointed by PRM as Broker to the Offer. A summary of how to sell your SRX Shares to PRM is set out in Section 2.

The Offer is scheduled to close at 4.00 pm (Melbourne time) on 5 May 2024 unless extended.

Should you not accept the Offer and it lapses, the SRX Share price may drop to pre-Offer levels or below with a reduced level of trading liquidity. Some consequences of not accepting the Offer are set out in Section 1.

If you have any questions or require any further information in relation to the Offer, please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9:00 am to 5:00 pm (GMT -4 time zone) on Business Days, or contact your legal, financial or other professional adviser.

For the reasons outlined above, and detailed in this Bidder's Statement, I strongly encourage you to carefully read this Bidder's Statement and then contact your chosen Broker to **ACCEPT** this Offer, which delivers you certain value for your SRX Shares.

Yours faithfully,



Craig Dean
Director and CEO, PRM Services LLC

1. Why you should ACCEPT the Offer

1.1 The Offer Price represents a premium to SRX's historic trading prices

PRM is offering 100% cash consideration to SRX Shareholders of A\$0.095 cash per SRX Share. The Offer values the equity of SRX at approximately A\$40,302,462.47 on an undiluted basis.

The all-cash Offer represents a premium to SRX's last closing share price and volume weighted average price (**VWAP**) of SRX Shares as follows:

- (a) 21.79% premium to the closing price of SRX Shares on the trading day immediately preceding the Announcement Date of \$0.0780;
- (b) 21.64% to the VWAP for the 15 trading days immediately preceding 15 March 2024 of \$0.0781;
- (c) 28.73% to the VWAP for the 30 trading days immediately preceding 15 March 2024 of \$0.0738; and
- (d) 17.43% to the VWAP for the 45 trading days immediately preceding 15 March 2024 of \$0.0809.

The Offer represents a particularly attractive value to SRX Shareholders given the current risks and uncertainties associated with remaining a SRX Shareholder in the face of prevailing commodity price risks, sovereign, political and operational risks and funding risks risk. PRM believes these risks appear to be weighing on SRX's valuation, as demonstrated by the 66.09% decline in its share price over the last 12 months.

1.2 You will receive certain and immediate value for your SRX Shares through a 100% cash consideration payable on a T+2 basis

Key attributes of the Offer are:

- (a) the Offer consists of 100% cash consideration of A\$0.095 per SRX Share;
- (b) the Offer is unconditional, which provides additional security in respect of receiving your cash consideration;
- (c) you may sell your SRX Shares on-market at the Offer Price immediately from the Announcement Date of 20 March 2024 until the Offer closes at 4.00 pm (Melbourne time) on 5 May 2024 unless the Offer Period is extended or the Offer is withdrawn. The Offer Period officially commences at 10:00 am (Melbourne time) on 4 April 2024;
- (d) you will receive a cash payment on a T+2 basis (being 2 Trading Days after your acceptance); and
- (e) the Offer is fully funded at A\$0.095 per SRX Share for all remaining SRX Shares that PRM and Craig Dean do not own, enabling shareholders to dispose of large parcels of shares for certain and attractive value without any liquidity concerns.

The certainty of this receipt of the all-cash Offer should be compared against the uncertainties of, and risks associated with, remaining a SRX Shareholder in the current uncertain economic environment. Some key risks include, but are not limited to:

- (f) risks of being a minority shareholder – if you do not accept the Offer and PRM

acquires more than 50% of the SRX Shares (on a fully diluted basis) but does not achieve the threshold for compulsory acquisition:

- (i) you may be left with a small shareholding in SRX;
 - (ii) the SRX Shareholder spread after the Offer is completed may be less than required under the Listing Rules; and
 - (iii) ASX may choose to suspend or de-list SRX in which case, the liquidity in SRX Shares may be severely impacted;
- (g) market risks – recent global economic events have contributed to greater uncertainty, volatility and a general 'risk-off' sentiment in financial markets. There continues to be speculation surrounding movement in the global economy;
- (h) uncertainty – uncertainty about the effects of the Offer may adversely affect the business and operations of SRX which may in turn affect your investment in SRX particularly if you remain a minority shareholder;
- (i) share price volatility – the potential risk of share price falls due to a number of factors including those mentioned in this Section 1; and
- (j) liquidity risk – depending on the level of acceptances PRM receives under the Offer, the market for SRX Shares may become even less liquid than at present. This could make it more difficult for you to sell your SRX Shares at an attractive price in the future.

You can choose, in effect, between the all-cash unconditional Offer of certain value which is available now and future uncertain value by retaining your SRX Shares.

1.3 Consequences of not accepting

PRM believes that the Offer for SRX Shares is attractive and represents fair value. However, if you choose not to accept the Offer, there are certain risks of which you should be aware, including:

- (a) following the close of the Offer, the SRX Share price may drop to pre-Offer levels with a reduced level of trading liquidity;
- (b) if PRM acquires control of SRX but does not achieve compulsory acquisition, you will become a minority shareholder in SRX with limited influence in the running of the business;
- (c) even if PRM does not achieve compulsory acquisition at the end of the Offer Period, subject to meeting the eligibility requirements of the Listing Rules, PRM may seek to have SRX removed from the official list of the ASX. Should this occur, remaining as a minority shareholder in a private company presents you with additional risks including significant difficulty in selling your SRX Shares at the current price levels in the future; and
- (d) if PRM becomes entitled to acquire your SRX Shares compulsorily, it intends to exercise those rights. If your SRX Shares are compulsorily acquired by PRM, you will be paid the Offer consideration of A\$0.095 cash for each of your SRX Shares. However, you will receive the money later than the SRX Shareholders who choose to accept the Offer.

You should consult with your Broker or financial or other professional advisers to ascertain the impact of the risks outlined above on the value of your SRX Shares.

1.4 **There is no superior or alternative proposal for your SRX Shares**

PRM's Offer is the only offer to acquire your SRX Shares at the date of this Bidder's Statement.

If no other offers are made for your SRX Shares, SRX's share price may fall below the Offer Price after the Offer closes.

1.5 **No stamp duty or GST in accepting the Offer**

You will not pay stamp duty or GST on the disposal of your SRX Shares if you accept the Offer (other than GST payable by your Broker in respect of brokerage fees, if any, charged to you).

1.6 **There is material uncertainty in SRX's operations**

The Government of Sierra Leone (**GoSL**) had entered into a Third Amendment Agreement (**TAA**) with SRX effective 1 August 2021 which provided significant concessions for Area 1 mine life to support continuity of its operations pending the development of Sembehun.

In January 2024, SRX received correspondence from GoSL stating GoSL's intention to proceed on the basis that, the fiscal regime set out in the TAA would no longer apply to SRX, and that SRX would revert to the fiscal regime in place as at 20 November 2001 between SRX and the GoSL (or similar).

The dispute resolution provisions under the Third Amendment Agreement contemplate that the parties will attempt to resolve any dispute in good faith through negotiation. If the dispute is not settled by negotiation, the dispute can be referred to arbitration in the United Kingdom. SRX has initiated this dispute process with GoSL, which starts with an obligation to seek to negotiate an agreed outcome.

The arising uncertainty concerning the fiscal regime does not provide a stable platform upon which SRX can make ongoing strategic, capital or investment decisions or enter into the required major contracts necessary to continue production for the remainder of Area 1's mine-life.

SRX announced on 11 March 2024 that it has suspended all mining and processing activities at its Area 1 operations and commenced a process of engagement with GoSL and staff that will result in approximately 25% of staff, including expatriate staff, being issued with redundancy notices by the end of March 2024.

Details in relation to the operations at Area 1 are set out in Section 5.2.

1.7 **Class action against SRX**

On 22 January 2019, SRX was served with a writ and statement of claim in respect of an action filed in the High Court of Sierra Leone Commercial and Admiralty Division against both SRX and The Environmental Protection Agency.

The proceedings have been brought by a group of landowner representatives (**Representatives**) who allege that they suffered loss as a result of SRX's mining operations. The claims primarily relate to environmental matters. The Representatives allege, in part, that SRX engaged in improper mining practices resulting in environmental degradation and contamination, did not meet certain rehabilitation obligations and violated local mining laws. SRX denies liability in respect of the allegations and is defending the claims. SRX filed its defence in March 2019 and also applied to the Court for an order requiring the Representatives to provide further detail on their claims.

As at 31 December 2023, the status of the proceedings has still not reached a stage where SRX is able to reliably estimate the quantum of liability, if any, that SRX may incur in respect of the class action.

1.8 Decline in the financial performance of SRX

The financial performance of SRX as at 30 June 2023 reflects the weak demand in the global pigment market:

- SRX's revenue decreased by 31%, down from \$254.5 million in 2022 to \$176.3 million in 2023.
- SRX's EBITDA decreased by 62% from \$22.1 million.
- SRX suffered a net loss after tax of \$20.1 million, down from a \$75.6 million profit in 2022.

2. How to accept the Offer

You may sell your SRX Shares to PRM on-market by offering to sell some or all of your SRX Shares on ASX at the Offer Price on and from the Announcement Date until the end of the Offer Period.

Canaccord will stand in the market to acquire, on behalf of PRM, all SRX Shares offered at the Offer Price during normal trading on and from the Announcement Date, as follows:

(a) Issuer Sponsored Holding

If your SRX Shares are registered in an Issuer Sponsored Holding (i.e. your Security Reference Number starts with an "I"), you must instruct any Broker (which may also include Canaccord, where Canaccord is your existing Broker or you appoint Canaccord as your Broker) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period.

(b) CHESS Holding

If your SRX Shares are in a CHESS Holding (i.e. your Holder Identification Number starts with an "X"), you must instruct your Broker (your Controlling Participant) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period.

(c) Broker or Controlling Participant

If you are a Broker or a Controlling Participant, to sell your SRX Shares to PRM you must initiate acceptance in accordance with the ASX Settlement Operating Rules before the end of the Offer Period.

(d) Beneficial Owner

If you are a beneficial owner of SRX Shares 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.

Canaccord will execute trades on behalf of any SRX Shareholder wishing to accept the Offer provided they have an account opened with it.

If you have any questions about the Offer, please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 10:30 am to 4:00 pm (Melbourne time) on Business Days, or contact your legal, financial or other

professional advisers.

3. Summary of the Offer

This Section provides summary answers to some questions you may have in relation to the Offer, and is intended to assist in your understanding of the Offer. They are qualified by the information contained in the rest of this Bidder's Statement. It is not intended to address all relevant issues for SRX Shareholders. Section 10 of this Bidder's Statement contains the full terms and conditions of the Offer. You should read this Bidder's Statement in full before deciding how to deal with your SRX Shares.

Question	Answer
What is the Offer?	PRM is offering to acquire all of your SRX Shares for A\$0.095 cash per SRX Share by way of an on-market takeover bid on the terms and conditions set out in this Bidder's Statement.
Who is making the Offer?	PRM is a Puerto Rican registered company which currently has a Relevant Interest in 48,627,357 SRX Shares, giving it approximately 11.46% of the total Voting Power in SRX. Further information on PRM is set out in Section 4.
How do I accept the Offer?	<p>Because the Offer is an on-market offer, acceptance is made by selling your SRX Shares through PRM's Broker, Canaccord, or any Market Participant of ASX before the end of the Offer Period. You are not required to complete a form to accept the Offer.</p> <p>Depending on the nature of your holding, you may accept the Offer in the following ways:</p> <ul style="list-style-type: none"> <p>Issuer Sponsored Holding: If your SRX Shares are registered in an Issuer Sponsored Holding (i.e. your Security Reference Number starts with an "I"), you must instruct any Broker (which may also include Canaccord, where Canaccord is your existing Broker or you appoint Canaccord as your Broker) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period.</p> <p>CHESSE Holding: If your SRX Shares are in a CHESSE Holding (i.e. your Holder Identification Number starts with an "X"), you must instruct your Broker (your Controlling Participant) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period.</p> <p>Broker or Controlling Participant: If you are a Broker or a Controlling Participant, to sell your SRX Shares to PRM you must initiate acceptance in accordance with the ASX Settlement Operating Rules before the end of the Offer Period.</p> <p>Beneficial owner: If you are a beneficial owner of SRX Shares 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.</p> <p>Section 2 provides more detailed instructions on how to accept the Offer.</p>

Can I sell part of my shareholding?	Yes. You may choose to sell some or all of your SRX Shares under the Offer.
When can I sell my SRX Shares to PRM?	<p>You can sell your SRX Shares on-market to PRM immediately and at any time during the Offer Period.</p> <p>Canaccord will stand in the market on behalf of PRM and purchase SRX Shares offered to it at the Offer Price from the Announcement Date of 20 March 2024 until the end of the Offer Period at 4.00 pm (Melbourne time) on 5 May 2024 (unless extended in accordance with the Corporations Act).</p>
If I accept the Offer, when will I be paid?	If you accept the Offer, the usual rules for settlement of transactions which occur on-market on ASX will apply. Once you have accepted the Offer and sold your SRX Shares, you will be paid on a T+2 basis (being 2 Trading Days after your acceptance).
How does the Offer apply to SRX Performance Rights and Restricted Rights?	The Offer will not extend to the acquisition of any SRX Performance Rights or SRX Restricted Rights currently on issue. However, the Offer will extend to any SRX Shares that are issued between 20 March 2024 and the end of the Offer Period as a result of the vesting and exercise of SRX Performance Rights or SRX Restricted Rights.
What if I accept the Offer and PRM increases the Offer Price	<p>PRM may vary the Offer by increasing the Offer Price in accordance with the Corporations Act. If you have sold your SRX Shares prior to the increase in the Offer Price, you will not receive the benefit of any increase in the Offer Price.</p> <p>If SRX Shareholders sell on-market on the ASX to PRM, they will not be entitled to receive the benefit of any increase in the Offer Price.</p>
What will the tax consequences be?	You should consult your financial, tax or other professional advisor regarding the tax implications of acceptance. However, please refer to Section 8 for a general description of some of the tax implications for SRX Shareholders who accept the Offer.
Do I pay brokerage or stamp duty if I accept?	<p>If your SRX Shares are registered in an Issuer Sponsored Holding in your name, the relevant Broker you instruct to initiate acceptance on your behalf may charge transactional fees or service charges in connection with acceptance of the Offer.</p> <p>If your SRX Shares are registered in a CHESS Holding or if you are a beneficial holder and your SRX Shares are registered in the name of a Broker, bank, custodian or other nominee (i.e. your Controlling Participant), the Controlling Participant may charge transactional fees or service charges in connection with acceptance of the Offer.</p> <p>Accordingly, you should ask your Broker or Controlling Participant (as applicable) in relation to brokerage.</p> <p>PRM will bear the cost of its own brokerage (if any) on the transfer of SRX Shares acquired through acceptance of the Offer.</p> <p>You will not pay stamp duty or GST on the disposal of your SRX Shares if you accept the Offer (other than GST payable by your Broker in respect of brokerage fees charged to you).</p>
When does the Offer close?	The Offer is scheduled to close at 4.00 pm (Melbourne time) on 5 May 2024. You should note that the Offer Period can be extended as permitted by the Corporations Act.

Can the Offer be varied and can the Offer Period be extended?	<p>Yes, the Offer can be varied by PRM in accordance with the Corporations Act.</p> <p>The Offer Period can be extended at any time prior to the last 5 Trading Days of the Offer Period or, in certain limited circumstances, at any time prior to the end of the Offer Period (subject to compliance with the law).</p> <p>The Offer Period will be automatically extended if PRM's Voting Power in SRX increases to more than 50% in the last 7 days of the Offer Period. In that case, the Offer Period will then end 14 days after PRM's Voting Power increases to more than 50%.</p> <p>Any variation or extension will be announced to ASX. However, if you have sold your SRX Shares prior to any such announcement you will not receive any benefit from the variation.</p>
Can the Offer be withdrawn?	<p>PRM may withdraw the Offer in respect of any Offers that are unaccepted at any time:</p> <ul style="list-style-type: none"> • with the written consent of ASIC and subject to the conditions (if any) specified in such consent; • where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence PRM's Voting Power in SRX is at or below 50%; or • upon the occurrence of an Insolvency Event in relation to SRX. <p>Notice of withdrawal of the Offer must be given by PRM to ASX.</p>
What happens if I do not accept?	<p>If you do not accept the Offer, you will remain a SRX Shareholder and will not receive the consideration offered by PRM.</p> <p>If PRM becomes entitled to compulsorily acquire your SRX Shares, it intends to do so. If your SRX Shares are compulsorily acquired by PRM, you will be paid the Offer consideration of A\$0.095 cash for each of your SRX Shares. However, you will receive the money later than the SRX Shareholders who choose to accept the Offer.</p> <p>Further information on the intentions of PRM is set out in Section 6</p>
Are there any conditions to the Offer?	No, the Offer is unconditional.
What if I require further information?	<p>If you have any questions about the Offer, please call Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 10:30 am to 4.00 pm (Melbourne time) on Business Days, or contact your legal, financial or other professional adviser.</p>

4. Overview of PRM

PRM is holding and investment company of various entities which trade business globally and in Africa in the commodity space, but more specifically critical metals and minerals. Craig Dean is the Chairman and controlling shareholder of PRM, who is an American.

PRM's strategy is to continue the businesses of SRX and to optimise the cost structure and not make any material changes that are not required to ensure the longevity of the SRX.

SRX has the potential to be a viable and profitable operating company, with the correct guidance and strategy and resources deployed, if it has the right strategic partners with Africa and local experience.

PRM has a proven track record in mining, operations, and build-out and ramp-up in Africa, including Sierra Leone (where the SRX project is based). PRM's strategy is to deploy its group's mining, management and trade know-how and resources to turn SRX and its Sierra Leone rutile project into a successful asset.

5. Overview of Sierra Rutile Holdings Ltd

5.1 Disclaimer

The information in this Section 5 concerning SRX has been prepared based on a review of publicly available information (which has not been independently verified). Neither PRM nor any of its respective directors, officers, employees or advisers, 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 SRX in this Bidder's Statement should not be considered comprehensive.

In addition, the Corporations Act requires the SRX Directors to provide a Target's Statement to SRX Shareholders in response to this Bidder's Statement, setting out material information concerning SRX. Further information relating to SRX may be included in its Target's Statement in relation to the Offer, which will be sent to you directly by SRX.

5.2 Overview of SRX and its principal activities

SRX is an ASX listed Australian company. SRX's principal activities are the operation and ongoing development of a multi-deposit mineral sands mining operation in southern Sierra Leone and is the largest producer of natural rutile in the world, supplying over 20% of the world's natural rutile.

Rutile is the highest-grade naturally occurring TiO₂ feedstock used in the manufacture of pigment used in paints, laminates, plastic pipes and packaging, inks, clothing, sunscreen, toothpaste and in the cosmetic industry. Rutile is also used as welding electrode and to manufacture titanium metal, which is a critical mineral and has the highest strength to weight ratio of all commercial metals. Titanium is used across a diverse range of applications including aeronautics, medical implants, defence and sporting goods.

Sierra Rutile has an established operating history of more than 50 years and, if the proposed Sembahun Project proceeds, the deposit will add many years of additional mine life as well as lowering the Company's cost base. The Company is one of the largest private employers in Sierra Leone.

Sierra Rutile's high quality products include:

- Standard Grade Rutile (SGR). Considered an industry leading high quality product and is consumed primarily in the manufacture of titanium dioxide pigment and titanium sponge. Accounts for 85-90% of Sierra Rutile's annual rutile production.
- Industrial Grade Rutile (IGR). Well suited to high quality flux core wire applications due to its excellent packing density and low contaminant level. Trades at a premium to competing rutile products. High-grade chloride ilmenite. Suitable for direct chlorination into titanium dioxide pigment and transformation into titanium slag.
- Zircon In Concentrate (ZIC). ZIC is a by-product stream typically containing around 20-25% zircon as well as other heavy minerals. The zircon is extracted and consumed in applications such as ceramic tiles, sanitary ware, foundry coatings, refractories, and in the chemical industry.

Area 1

Sierra Rutile's current mining and mineral processing operations extract and process ore from the Gangama, Taninahun, Gbeni, Lanti deposits. Subject to conducive market conditions and fiscal arrangements, the Company hopes to develop mine life extensions at the Pejebu and Ndendemoia deposits as well as at the Mogbwemo tails. Current operations include four wet concentrator plants (WCPs); a mineral separation plant (MSP) and associated infrastructure; residential camps for senior and management staff; and a dedicated port facility. These deposits and operations are collectively referred to as Area 1.

Please refer to Section 1.6 in relation to SRX's suspension of operations at Area 1 effective 11 March 2024.

Sembehun

Sierra Rutile holds one of the world's largest and highest quality known natural rutile deposits, the Sembehun Project. Located approximately 30 kilometres from the current Area 1 operations, Sembehun presents an attractive development opportunity with long mine life, good grades, contiguous deposits, and additional exploration potential that can leverage the extensive Area 1 processing and infrastructure investment.

Development spend on Sembehun during the year included \$9.4 million advancing the DFS, which is due to be completed by the middle of H1 2024.

As at the date of this Bidder's Statement, SRX's subsidiaries are as follows:

Name of entity	Country of incorporation	Equity holding (%)
Sierra Rutile International UK Limited	United Kingdom	100%
Sierra Rutile Investments (BVI) Limited	British Virgin Islands	100%
Sierra Rutile International South Africa (Pty) Ltd	South Africa	100%
SRL Acquisition No.3 Limited	British Virgin Islands	100%
Sierra Rutile (UK) Limited	United Kingdom	100%
Sierra Rutile Investments 1 Limited	British Virgin Islands	100%
Sierra Rutile Limited	Sierra Leone	100%

5.3 Directors and senior managers

- (a) As at the date of this Bidder's Statement, the SRX Directors are as follows:
- (i) Greg Martin – Non-executive Director and Chairman;
 - (ii) Theuns de Bruyn – Managing Director;
 - (iii) Martin Alciaturi – Finance Director;
 - (iv) Joanne Palmer – Non-Executive Director;
 - (v) Graham Davidson - Non-Executive Director; and
 - (vi) Patrick O'Connor – Non-Executive Director.
- (b) As at the date of this Bidder's Statement, SRX's executive leadership team is as follows:
- (i) Theuns de Bruyn – Chief Executive Officer;
 - (ii) Martin Alciaturi – Finance Director;
 - (iii) Eben Lombard – Chief Operating Officer;
 - (iv) Maurice Cole – Chief Financial Officer;
 - (v) Derek Folmer – General Manager Marketing;
 - (vi) Sue Wilson – General Counsel and Company Secretary;
 - (vii) Barry Honnah – Human Resources Manager;
 - (viii) Osman Lahai – Community Relations and Social Development Manager; and
 - (ix) Hussine Yilla – Corporate Affairs and Government Relations Manager.

5.4 SRX securities on issue

Based on documents provided by SRX to ASX as at the date immediately before the Announcement Date:

- (a) there were a total of 424,236,447 SRX Shares on issue;
- (b) there were a total of 14,109,004 SRX Performance Rights on issue;
- (c) there were a total of 580,377 SRX Restricted Rights on issue; and
- (d) each of the following persons (on behalf of itself and its Associates) have lodged substantial holding notices showing the following substantial holdings in the issued ordinary share capital of SRX:

SRX Shareholder	SRX Shares ¹	Voting Power (%) ¹
PRM Services LLC and Craig Dean ²	48,617,497 ³	11.46%

SRX Shareholder	SRX Shares ¹	Voting Power (%) ¹
Ecsson Investments Limited (EIL), Assaad Yazbeck, Joseph Yazbeck, Rockbridge Overseas Limited and Mano Mining and Logistics Limited	33,600,987 ⁴	9.62%
Perpetual Limited and its related bodies corporate	22,228,818 ⁵	5.24%
Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Fund (ABN 25 726 649 409)	82,177,177 ⁶	19.37%

Notes:

1. The actual number of SRX Shares held or the Voting Power may differ from that shown above given there is no obligation to publicly disclose changes if the change in Voting Power is less than 1%.
2. As at the date immediately before the Announcement Date, the registered holders of SRX Shares is PRM.
3. Since PRM's last Form 604 (Notice of change of interests of substantial holder) dated lodged on 14 March 2024, PRM had acquired an additional 22,506,770 shares in SRX, which is reflected in the Form 604 that PRM lodged dated 20 March 2024 in relation to this Offer in accordance with section 671B(1)(c) of the Corporations Act.
4. Since the Announcement Date, this SRX Shareholder's interest increased to 45,390,899 SRX Shares and 10.70% voting power in SRX on 21 March 2024.
5. Since the Announcement Date, this SRX Shareholder ceased to be a substantial holder on 18 March 2024.
6. Since the Announcement Date, this SRX Shareholder's interest increased to 88,930,100 SRX Shares and 20.96% of voting power in SRX on 20 March 2024.

5.5 SRX Performance Rights and SRX Restricted Rights

The Offer will not extend to the acquisition of any SRX Performance Rights and SRX Restricted Rights currently on issue. However, the Offer extends to any SRX Shares that are issued between 20 March 2024 and the end of the Offer Period as a result of the vesting of SRX Performance Rights and/or the SRX Restricted Rights.

According to information released on ASX as at the date of this Bidder's Statement:

- (a) there are 14,109,004 SRX Performance Rights which remain unvested;
- (b) there are 580,377 SRX Restricted Rights which remain unvested; and
- (c) on a change of control event, the Board of SRX can determine the treatment of any unvested SRX Performance Rights and SRX Restricted Rights.

Accordingly, the Board of SRX may determine to vest some or all of the unvested SRX Performance Rights and/or the SRX Restricted Rights, in which case the Offer will extend to the SRX Shares issued on vesting of those SRX Performance Rights and/or the SRX Restricted Rights.

5.6 Other material information about SRX

SRX will have the opportunity to disclose in its Target's Statement any information about the SRX group it considers SRX Shareholders would reasonably require to make an informed assessment as to whether to accept the Offer.

5.7 Publicly available information

SRX is listed on ASX and is obliged to comply with the periodic and continuous disclosure requirements of the Corporations Act and the Listing Rules. For more information concerning the financial position and affairs of SRX, you should refer to the full range of information that has been disclosed by SRX pursuant to those obligations. Further publicly available information about SRX is available on SRX's website at <https://sierra-rutile.com/investors/> or the ASX website at www.asx.com.au.

SRX's annual report for the year ended 31 December 2023 was lodged with ASIC and given to ASX on 28 February 2024.

SRX's half-yearly financial report for the half year ended 30 June 2023 was lodged with ASIC and given to ASX on 24 August 2023.

5.8 Interests of PRM in SRX's issued securities and Voting Power in SRX

- (a) **PRM's interest in SRX Shares and Voting Power:** As at the date immediately before the Announcement Date, PRM had a Relevant Interest in 48,627,357 SRX Shares, giving it approximately 11.46% of the total Voting Power in SRX.
- (b) **Prices paid for SRX Shares by PRM:** Except as set out below, during the 4 months before the date of the Announcement, PRM did not provide, or agreed to provide, consideration for a SRX Share under a purchase or agreement:

Date of purchase	Price per SRX Share	Number of SRX Shares purchased
18 March 2024	\$0.095	22,516,630
12 March 2024	\$0.074	6,716,522
7 March 2024	\$0.083	1,599,434
6 March 2024	\$0.085	334,600
26 February 2024	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000

	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.059	5,500
16 February 2024	\$0.070	1,468,089
14 February 2024	\$0.059	900,000
	\$0.059	900,000
	\$0.059	149,601
	\$0.059	117,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
13 February 2024	\$0.059	1,000,000
	\$0.059	1,000,000
	\$0.059	1,000,000
	\$0.059	883,000
	\$0.059	1,000,000
12 February 2024	\$0.061	750,000
	\$0.060	750,000
2 February 2024	\$0.062	100,000
	\$0.062	250,000
	\$0.062	100,000
1 February 2024	\$0.060	50,000
	\$0.060	21,311
	\$0.061	114,211

	\$0.062	502,571
	\$0.063	500,000

- (c) **No Escalation Agreements:** Neither PRM nor its Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.
- (d) **No Collateral Benefits:** During the 4 months before the date of the Announcement, neither PRM nor its Associates gave, 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:
- (i) accept the Offer; or
 - (ii) dispose of SRX Shares,
- and which is not offered to all SRX Shareholders under the Offer.

6. Bidder's intentions

This Section 6 sets out the intentions of PRM on the basis of the facts and information concerning SRX and the existing circumstances affecting the business of SRX which are known to PRM at the time of preparation of this Bidder's Statement, in relation to the following:

- (a) the continuation of the business of SRX;
- (b) any major changes to be made to the business of SRX, including any redeployment of fixed assets of SRX; and
- (c) the future employment of the present employees of SRX.

Given that PRM has not had the benefit of a due diligence investigation into SRX, PRM does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, tax and financial implications of its current intentions.

PRM will only reach final decisions regarding these matters in light of material facts and circumstances at the relevant time. Accordingly, the statements set out in this Section 6 are statements of current intentions only which may vary as new information becomes available or circumstances change.

6.1 Present intentions

PRM and its advisors have reviewed information that has been publicly released by SRX regarding its current activities and its plans for the future. However, PRM does not currently have knowledge of material information, facts and circumstances that are necessary to assess the operational, commercial, taxation and financial implications of its current intentions. Consequently, final decisions on these matters have not been made.

As such, statements set out in this Section 6 are statements of current intentions only which may change as new information becomes available or circumstances change. The statements in this Section 6 should be read in this context.

6.2 Intentions generally

Except for the changes and intentions set out in this Section 6, PRM intends:

- (a) to continue on the business of SRX;
- (b) not to make any major changes to the business of SRX; and
- (c) to review the future employment of the present SRX employees.

6.3 Intentions if 50% or less of SRX is acquired

Unless otherwise indicated in Section 6, if PRM acquires 50% or less of SRX Shares, PRM intends to change the SRX Board by removing each of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing. PRM is comfortable with Theuns de Bryun and Martin Alciaturi retaining their positions as executive directors of the SRX Board and in the case of Patrick O'Connor, appreciates that he is a newly appointed director and will retain his position as a non-executive director of the SRX Board. Through this, PRM hopes to gain a more detailed understanding of the corporate structure, assets, businesses, personnel, financing, capital structure and operations of SRX. PRM would then be in a better position to evaluate, and contribute to, the performance, profitability and prospects of SRX in light of the information then available to PRM and provide input into the strategic direction of the organisation.

As at the date of this replacement Bidder's Statement PRM has issued notices on SRX pursuant to sections 203D and 249D of the Corporations Act calling for the removal of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and the appointment of and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing as directors. SRX has not yet confirmed whether it regards the notices served by PRM to be valid.

PRM may also not wish to participate in further capital raisings if it does not agree with the existing strategy of SRX, however PRM reserves its right to make such decisions at the relevant time. If PRM does not participate in further capital raisings, and SRX is unable to secure adequate underwriting for such capital raisings, PRM considers that SRX may incur significant difficulties in maintaining its operations and further development of its mining programs.

6.4 Intentions upon ownership of 50.1% or more of SRX but less than 90%

This Section 6.3 sets out PRM's current intentions if SRX becomes controlled by PRM (i.e. PRM and its related entities acquire 50.1% or more of SRX) but PRM is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, PRM's intentions are as follows:

(a) **Directors**

PRM intends to change the SRX Board by removing each of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing. PRM is comfortable with Theuns de Bryun and Martin Alciaturi retaining their positions as executive directors of the SRX Board and in the case of Patrick O'Connor, appreciates that he is a newly appointed director and will retain his position as a non-executive director of the SRX Board.

As at the date of this replacement Bidder's Statement PRM has issued notices on SRX pursuant to sections 203D and 249D of the Corporations Act calling for the removal of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and the appointment of and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing as

directors. SRX has not yet confirmed whether it regards the notices served by PRM to be valid.

(b) **Review**

PRM will propose, through its nominees on the SRX Board, that a review of SRX, of the type referred to in Section 6.4(d) below, be undertaken with the aim of pursuing, to the maximum extent possible and appropriate, the types of strategies and intentions, as described in Section 6.4(d), which might have been pursued if PRM had acquired 100% of SRX.

(c) **Capital structure**

PRM intends that a review of SRX's capital structure would be undertaken as part of the operational review discussed at Section 6.4(d). That review will consider SRX's need to retain sufficient funds to meet its ongoing activities and requirements for additional capital, as well as whether SRX's capital structure is efficient and maximises shareholder value.

(d) **Listing on ASX**

PRM will consider the removal of SRX from the official list of ASX. Such consideration will have regard to, among other things, PRM's interest and Voting Power in SRX, the spread and volume of SRX Shareholders at the end of the Offer Period, and whether all of the requirements necessary to delist SRX can be satisfied. If PRM forms a view that those requirements can be satisfied, PRM will seek to procure the removal of SRX from the official list of ASX. In addition, ASX may suspend and ultimately delist a company which does not meet the spread requirements. Should ASX seek to do this, PRM does not currently intend to oppose such a delisting of SRX. If SRX is delisted, PRM may also seek to change the status of SRX from a public company limited by shares to a proprietary company limited by shares.

(e) **Further acquisitions of SRX Shares**

PRM may acquire additional SRX Shares under the "creep" provisions of the Corporations Act. In summary, those provisions would permit PRM and its Associates to acquire up to 3% of SRX Shares every 6 months. PRM has not yet decided whether it will acquire further SRX Shares under the "creep" provisions in the future, as that will be dependent upon (among other things) the extent of Voting Power of PRM and its Associates in SRX and market conditions at the time.

If PRM becomes entitled to give notices to compulsorily acquire any outstanding SRX Shares in accordance with section 664C of the Corporations Act (general compulsory acquisition power) as a result of acquisitions of additional SRX Shares, PRM intends to give such notices.

(f) **Limitations on intentions**

The implementation of PRM's intentions in the event of less than 100% ownership of SRX will be subject to the Corporations Act, the Listing Rules and the SRX constitution, and to the obligations of the SRX Directors to act in the best interests of SRX and all SRX Shareholders.

In particular, if PRM obtains control (but not 100%) of SRX, the "related party" provisions of Chapter 2E of the Corporations Act (and the Listing Rules) will apply.

PRM would only make a decision on its courses of action in these circumstances after it receives appropriate legal and financial advice on such matters, including

in relation to any requirements for SRX Shareholder approval.

6.5 Intentions upon becoming able to compulsorily acquire SRX Shares

This Section sets out PRM's current intentions if it and its Associates have a Relevant Interest in 90% or more of all SRX Shares and are entitled to proceed to compulsory acquisition of the outstanding SRX Shares on issue.

(a) Compulsory acquisition

If it becomes entitled to do so under the Corporations Act, PRM will:

- (i) give notices to compulsorily acquire any outstanding SRX Shares in accordance with section 661B of the Corporations Act (compulsory acquisition power following takeover bid), including any SRX Shares which are issued as a result of the vesting and exercise of SRX Performance Rights after the end of the Offer Period and in the 6 weeks after PRM gives the compulsory acquisition notices; and
- (ii) if necessary, give notices to compulsorily acquire any outstanding SRX Shares in accordance with section 664C of the Corporations Act (general compulsory acquisition power).

If it is required to do so under section 662A and section 663A of the Corporations Act, PRM intends to give notices to SRX Shareholders offering to acquire their SRX Shares, in accordance with section 662B and section 663C of the Corporations Act.

(b) Directors

PRM intends to reconstitute the SRX Board with nominees of PRM. These nominees have not yet been identified by PRM. A final decision on the selection of PRM's nominees will be made in light of the circumstances at the relevant time.

(c) Listing on ASX

Upon acquiring ownership of 100% of SRX, PRM will seek to have SRX removed from the official list of ASX. PRM may also seek to change the status of SRX from a public company limited by shares to a proprietary company limited by shares.

(d) Operational review

Following the close of the Offer, if PRM is entitled to acquire 100% control of SRX, PRM intends to conduct a review of the operations, assets, structure and employees of SRX in light of that information to identify:

- (i) business opportunities and areas of revenue generation which may provide overall strategic operational benefit;
- (ii) areas of costs saving which may provide overall strategic and operational benefit; and
- (iii) any business or businesses which do not fit into the strategic plan for SRX and to evaluate the best and most appropriate way of organising such business or businesses.

Final decisions will only be reached after that review and in light of all material facts and circumstances.

While PRM does not currently have any specific intentions in relation to this review or its outcomes, its current expectation is that the review will focus on identifying the most effective means of utilising SRX's assets and maximising the investment PRM has made in SRX.

(e) **Employees**

PRM believes that SRX's management and employees, having built SRX up to the company it is today, have appropriate skills and experience. PRM would review the future employment of the present employees of SRX after the close of the Offer, having regard to its plans for SRX and upon completing the review referred to above at Section 6.4(d).

PRM notes that on 11 March 2024 SRX announced that it will issue 25% of its staff with redundancy notices by the end of March 2024. Therefore, as at the date of this replacement Bidder's Statement it is unclear as to how many employees SRX will have following March 2024 and who those employees will be. That said, it is the current intention of PRM to keep all employees that are necessary for the company's operations. PRM intends to optimise the cost structure of SRX and not make any material changes that are not required to ensure the longevity of the SRX.

6.6 Limitations on intentions

The intentions and statements of future conduct set out in this Section 6 must be read as being subject to:

- (a) the law (including the Corporations Act) and the Listing Rules, including, in particular, the requirements of the Corporations Act and the Listing Rules in relation to conflicts of interest and "related party" transactions given that, if PRM obtains control of SRX but does not acquire all of the SRX Shares, it will be treated as a related party of SRX for these purposes;
- (b) the legal obligation of the SRX Directors at the time, including any nominees of PRM, to act in good faith, in the best interest of SRX and for the proper purposes and to have regard to the interests of SRX Shareholders; and
- (c) the outcome of reviews referred to in Sections 6.2, 6.3(b) and 6.4(d).

Accordingly, this Section 6 must be read and understood on this basis.

7. Funding of cash consideration

7.1 Consideration under the Offer

The consideration for the acquisition of SRX Shares to which the Offer relates will be satisfied by the payment of cash (in Australian dollars).

Based on the number of SRX Shares, SRX Performance Rights and SRX Restricted Rights on issue as at the date of the Announcement, and noting that PRM already has 48,627,357 SRX Shares as at the date of the Announcement, the maximum amount of cash consideration that would be payable by PRM under the Offer if all SRX Performance Rights were exercised and acceptances were received for all SRX Shares which PRM or its Associates do not already own, is approximately A\$35,682,863.55, not including transaction costs.

7.2 Overview of PRM funding arrangements

PRM will fund the maximum cash consideration including associated transaction costs under the Offer (**Aggregate Amount**) from existing cash reserves held by PRM.

PRM has available to it (through its own accounts and those of Craig Dean) cash reserves deposited in US banks regulated by the Federal Deposit Insurance Corporation (FDIC), of approximately \$40 million which will enable it to pay cash consideration including any relevant transaction cost pursuant to the Offer.

The funds committed for this purpose are not required for any other arrangements or obligations.

To the extent that Craig Dean advances funding to PRM in relation to the Offer, these funds will be advanced either by way of equity or debt to PRM on terms typical for an advance of funding by a director and majority shareholder to a private company that they control. There is no impediments to Craig Dean advancing any funding required to PRM in connection with the Offer.

7.3 Payment of cash consideration

Having regard to the matters set out above, PRM is of the opinion that it has a reasonable basis for forming, and it holds, the view that it will be able to pay cash consideration including any relevant transaction cost pursuant to the Offer. The Offer is not subject to any financing conditions.

8. Taxation information

The following is a general description of Australian income and capital gains tax consequences for SRX Shareholders of the acceptance of the Offer and does not take into account the specific circumstances of any particular SRX Shareholder. It does not constitute tax advice and should not be relied upon as such. All SRX Shareholders should seek independent professional advice on the consequences of their disposal of SRX Shares, based on their particular circumstances.

The outline reflects the current provisions of the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth) (collectively, **the ITAA**) and the regulations made under those Acts. The outline does not otherwise take into account or anticipate any changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation from countries apart from Australia.

The comments below are not exhaustive of all possible Australian tax considerations that could apply to SRX Shareholders. In particular, the comments are relevant to those SRX Shareholders who are individuals, complying superannuation entities and companies that hold their investments on capital account. The tax treatment for SRX Shareholders who may hold their investments on revenue account, such as banks and other trading entities, has not been addressed. In addition, these comments do not take into account the circumstances of SRX Shareholders who acquired their SRX Shares in respect of their, or an Associate's, employment with SRX or any member of the SRX group.

For SRX Shareholders who are non-residents of Australia for tax purposes, it is assumed that the SRX Shares are not held, and never have been held or used at any time, as an asset in carrying on a business through a permanent establishment of that SRX Shareholder in Australia. It is further noted that these comments do not address the position for SRX Shareholders who are partnerships, tax exempt organisations, temporary residents, have a functional currency for Australian tax purposes other than an Australian functional currency, who are subject to the taxation of financial arrangements rules in Division 230 of the ITAA in relation to gains and losses on their SRX Shares, or are subject to the Investment Manager Regime under Subdivision 842-1 of the ITAA in respect of their SRX Shares.

8.1 Australian resident SRX Shareholders

The acceptance of the Offer in respect of a SRX Share will result in a disposal for CGT purposes of that SRX Share by the relevant SRX Shareholder. The disposal will trigger CGT Event A1. An Australian resident SRX Shareholder should make a capital gain at the time of that CGT Event if the capital proceeds received on disposal exceed the cost base of the SRX Share. An Australian resident SRX Shareholder should make a capital loss at the time of that CGT Event if the capital proceeds received on disposal are less than the reduced cost base of the SRX Share.

In broad terms, the capital proceeds should include the Offer Price (being A\$[insert price] per SRX Share) a SRX Shareholder receives by accepting the Offer.

The cost base and reduced cost base (in the case of a capital loss) of a SRX Share is generally the amount the Australian resident SRX Shareholder paid for the SRX Share (including incidental costs of acquisition and disposal). In some cases, there may be financing costs of ownership that will form part of the cost base of the SRX Share.

However, if a SRX Share was acquired (for CGT purposes) at or before 11:45 am on 21 September 1999, the cost base may be indexed for inflation, by reference to changes in the Consumer Price Index from the calendar quarter in which the SRX Share was acquired (for CGT purposes) until the calendar quarter ended 30 September 1999. SRX Shareholders who are individuals, complying superannuation entities or trustees of a trust must make an election if they wish to rely on indexation. Companies will be entitled to include the indexation without making an election. Indexation adjustments are taken into account only for the purposes of calculating a capital gain, and not a capital loss. Whether it is better for any given

SRX Shareholder to make the indexation election or not will depend upon the particular SRX Shareholder's individual circumstances. Further, the CGT discount rules (see below) are not available for capital gains made on a SRX Share where indexation applies to the relevant SRX Share. SRX Shareholders should consult their own tax advisers in this regard.

If a SRX Share was acquired (for CGT purposes) after 11:45 am on 21 September 1999, the capital gain or loss is generally calculated on the difference between the capital proceeds and cost base for the SRX Share, with no indexation.

The taxable amount of any capital gain may be reduced if the CGT discount applies. If an Australian resident SRX Shareholder is an individual, a complying superannuation entity or a trustee, the amount of the Australian resident SRX Shareholder's capital gain may be reduced by the relevant CGT discount. If an Australian resident SRX Shareholder who is an individual or trustee applies the CGT discount method, the shareholder's taxable capital gain (after offsetting any current year capital losses or carry forward net capital losses from previous income years) will be reduced by one half (or one third if the Australian resident SRX Shareholder is a complying superannuation entity). The CGT discount rules are not available for capital gains made on a SRX Share where indexation applies to the relevant SRX Share.

The CGT discount is not available to an Australian resident SRX Shareholder that is an individual, a complying superannuation entity, or a trustee where the disposal occurs in the first 12 months after the acquisition (for CGT purposes) of the relevant SRX Share. That is, the SRX Share must have been held for at least 12 months (for CGT purposes) prior to accepting the Offer for the CGT discount to be available for that SRX Share. If the Australian resident SRX Shareholder is a company, the CGT discount is not available at any time.

The above comments do not apply to SRX Shareholders who buy and sell shares in the ordinary course of business, or those who acquired the shares for resale at a profit. In those cases, any gain will generally be taxed as ordinary income. All SRX Shareholders should seek their own advice.

8.2 Non-resident SRX Shareholders

A SRX Shareholder who is not a resident of Australia for tax purposes and who has never used their shares at any time in carrying on a business through a permanent establishment in Australia will generally not have to pay Australian tax on any capital gain made when disposing of SRX Shares unless the shares in SRX are 'indirect Australian real property interests'. SRX Shares will be 'indirect Australian real property interests' where both of the following requirements are satisfied:

- (a) the interest held in SRX is a "non-portfolio" interest; and
- (b) the SRX Shares pass the "principal asset test" at the time of disposal.

If either of these elements is absent, any capital gain made on the disposal of the SRX Shares should not be subject to income tax in Australia.

A non-resident SRX Shareholder will hold a "non-portfolio interest" in SRX if (together with Associates) they own (at the time of the disposal for CGT purposes), or owned, throughout a 12 month period during the 2 years preceding the sale (for CGT purposes) of their SRX Shares, 10% or more of all of the shares in SRX.

The SRX Shares would pass the "principal asset test" if the market value of SRX's direct and indirect interests in Australian real property (including leases of land, if the land is situated in Australia, and Australian mining, quarrying or prospecting rights) is more than the market value of its other assets at the time a non-resident SRX Shareholder accepts the Offer.

Detailed calculations are required to determine the results of the "principal asset test" and to determine the amount of Australian tax that is payable (to the extent tax is payable).

If a non-resident SRX Shareholder buys and sells shares in the ordinary course of business, or acquired the shares for resale at a profit, any gain could be taxed in Australia as ordinary income and not as a capital gain. Again, non-resident SRX Shareholders should seek their own advice.

Non-resident SRX Shareholders should seek advice from their taxation advisor as to the taxation implications of accepting the Offer in their country of residence (as well as any Australian taxation implications).

8.3 Foreign resident capital gains withholding

Broadly, under the 'foreign resident capital gains withholding' (**FRCGTW**) regime, a purchaser of shares may have an obligation to withhold and pay to the Australian Taxation Office an amount equal to 12.5% of the purchase price for each share under section 14-200 of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**TAA**).

PRM does not expect to withhold any amount from the Offer Price on account of FRCGTW on the basis that the acquisition of each SRX Share will occur through acceptance of the Offer which will result in the acquisition occurring on an approved stock exchange (being, the ASX). The acquisition should therefore be an 'excluded transaction' for the purposes of the FRCGTW regime.

8.4 Stamp duty

No stamp duty will be payable by SRX Shareholders in respect of a transfer of their SRX Shares under the Offer. PRM will pay the stamp duty (if any) payable in Australia on the transfer of SRX Shares under the Offer.

8.5 Goods & Services Tax

No GST will be payable by SRX Shareholders in respect of a transfer of their SRX Shares under the Offer.

9. Other material information

9.1 Consents

PRM has given, and has not before the date of this Bidder's Statement withdrawn, its written consent:

- (a) to be named in this Bidder's Statement in the form and context in which it is named; and
- (b) to statements made by it in the Bidder's Statement, or statements said in the Bidder's Statement to be based on statements by it, in the form and context in which those statements are included in the Bidder's Statement.

Gadens Lawyers has given, and has not before the date of this Bidder's Statement withdrawn, its written consent to be named in this Bidder's Statement as legal adviser to PRM in respect of the Offer.

Canaccord, as Broker have given, and have not before the date of this Bidder's Statement withdrawn, their written consent to be named as a Broker in this Bidder's Statement in respect of the Offer.

Each person named in this Section 9.1 as having given its consent to the inclusion of a statement or being named in this Bidder's Statement:

- (a) 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 other than, in the case of a person referred to above as having given their consent to the inclusion of a statement included in this Bidder's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement which has been included in this Bidder's Statement with the consent of that party.

9.2 Announcement of Offer

The text of the Announcement of the Offer, which was announced by ASX on 20 March 2024, is set out in the Annexure.

9.3 No other material information

Except as set out in this Bidder's Statement, there is no other information that is material to the making of the decision by a holder of SRX Shares whether or not to accept the Offer which is known to PRM and has not previously been disclosed to SRX Shareholders.

9.4 ASIC modifications

PRM has not obtained from ASIC any modifications to, nor exemptions from, the Corporations Act in relation to the Offer. However, ASIC has published various instruments providing modifications and exemptions that apply generally to all persons, including PRM, and on which PRM may rely.

This Bidder's Statement 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. PRM will make available a copy of these documents (or of relevant extracts from these documents) free of charge to SRX Shareholders who request it during the Offer Period.

If you would like to obtain a copy of these documents (or the relevant extracts), please contact please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 on Business Days.

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

- (a) which fairly represent what purports to be a statement by an official person;
- (b) which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- (c) which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

In addition, as permitted by Corporations Instrument 2016/72, this Bidder's Statement contains security price trading data sourced from Factset.

9.5 On-market acquisitions by PRM

Subject to the requirements of the Corporations Act, PRM may acquire SRX Shares on market at prices at or below the Offer Price during normal trading on the ASX.

Any such purchases by PRM will be disclosed to the ASX in substantial shareholder notices which PRM is required to lodge under the Corporations Act.

SRX Shareholders who sell their SRX Shares on the ASX will receive payment from their Broker. Settlement of trades on the ASX is on a T+2 basis.

SRX Shareholders who sell SRX Shares on the ASX cannot subsequently accept the Offer in respect of their SRX Shares sold on the ASX. In addition, SRX Shareholders who sell SRX Shares on the ASX may incur brokerage charges which they may not incur if they accept the Offer.

10. The Offer

10.1 General Terms

- (a) As announced to ASX by Canaccord in the Announcement, PRM is making an Offer under an on-market takeover bid to acquire all SRX Shares which exist (or will exist) and are listed for quotation on ASX at any time during the Offer Period.
- (b) PRM offers to acquire all of your SRX Shares on the terms and conditions set out in this Bidder's Statement.
- (c) The consideration offered for each of your SRX Shares is A\$0.095 in cash. In accordance with the Corporations Act, PRM may vary the Offer Price at any time except during the final 5 Trading Days of the Offer Period.
- (d) You can sell your SRX Shares from 10:00 am (Melbourne time) on the

Announcement Date of 20 March 2024. Canaccord will acquire in the market on behalf of PRM all SRX Shares offered at the Offer Price.

- (e) The Offer is not subject to any conditions.

10.2 Offer Period

Unless withdrawn, this Offer will remain open for acceptance during the period commencing on the date of this Offer, being 4 April 2024, and ending at 4.00 pm (Melbourne time) on the later of 5 May 2024 and any date to which the Offer Period is extended in accordance with the Corporations Act. PRM expressly reserves its rights to extend the Offer Period in accordance with the Corporations Act.

Notwithstanding the commencement of the formal Offer Period noted above, Canaccord will acquire in the market on behalf of PRM all SRX Shares offered at the Offer Price from 10:00 am (Melbourne time) on the Announcement Date of 20 March 2024, so you can sell your SRX Shares at the Offer Price immediately.

10.3 Extension of Offer Period

The Offer Period will be automatically extended by law if PRM's Voting Power in SRX increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after PRM's Voting Power in SRX increases to more than 50%.

10.4 Payment by PRM

In accordance with the usual rules for settlement of transactions which occur on-market on ASX, if you sell your SRX Shares in accordance with Section 2, you will be paid on a T+2 basis (being 2 Trading Days after your acceptance).

10.5 Withdrawal of Offer

PRM may withdraw the Offer in respect of unaccepted Offers at any time:

- (a) with the written consent of ASIC and subject to the conditions (if any) specified in such consent; or
- (b) where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence PRM's Voting Power in SRX is at or below 50%; or
- (c) where SRX experiences an Insolvency Event.

Notice of withdrawal of the Offer must be given by PRM to ASX.

10.6 Variation

PRM may vary this Offer in accordance with the Corporations Act. If you have sold your SRX Shares prior to any such announcement you will not receive any benefit from the variation.

10.7 Brokerage, stamp duty and other costs

If your SRX Shares are registered in an Issuer Sponsored Holding in your name, the relevant Broker you instruct to initiate acceptance on your behalf may charge transactional fees or service charges in connection with acceptance of the Offer.

If your SRX Shares are registered in a CHESS Holding or if you are a beneficial holder and your SRX Shares are registered in the name of a Broker, bank, custodian or other nominee (i.e. the Controlling Participant), the Controlling Participant may charge transactional fees or

service charges in connection with acceptance of the Offer.

Accordingly, you should ask your Broker or Controlling Participant (as applicable) in relation to brokerage which may be charged in connection with your acceptance of the Offer.

All costs and expenses of the preparation, dispatch and circulation of this Offer and all stamp duty payable (if any) on the transfer of your SRX Shares in respect of which the Offer is accepted will be paid by PRM.

10.8 Notice and return of documents

Subject to the Corporations Act, a notice or other communication given by PRM to you in connection with the Offer will be deemed to be duly given if it is in writing and is signed or purports to be signed on behalf of PRM by any director of PRM and:

- (a) is delivered at your address as recorded in the register of SRX Shareholders; or
- (b) is sent by prepaid ordinary post, or in the case of any address outside Australia, by prepaid airmail, to you at your address as recorded in the register of SRX Shareholders.

A notice to be given to PRM by you in connection with the Offer will be deemed to be duly given to PRM if it is in writing and is delivered or sent by post to PRM (or other means provided for in this Bidder's Statement) to the following address:

PRM Services LLC
1095 Wilson Street
Level PT
San Juan PR 00907

Attention: Dann Vu

notices@prmsvcs.com

10.9 Governing Law

This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in Victoria.

11. Definitions and Interpretation

11.1 Definitions

In this Bidder's Statement (including the Annexures), unless the context otherwise requires:

Announcement	the announcement of the Offer set out in the Annexure.
Announcement Date	20 March 20224.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given in section 12 of the Corporations Act.
ASX	ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it.
ASX Settlement	ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Operating Rules	the operating rules of ASX Settlement, as amended from time to time.
Bidder's Statement	this bidder's statement, being the statement of the bidder, PRM, under Part 6.5 Division 2 of the Corporations Act relating to the Offer.
Broker	a person who is a share broker and a participant in CHESS.
Canaccord	Canaccord Genuity (Australia) Limited (ACN 075 071 466) and AFSL 234666
CGT	capital gains tax.
CHESS	Clearing House Electronic Sub-register System which provides for electronic transfer, settlement and registration of securities in Australia.
CHESS Holding	has the meaning given to it in the ASX Settlement Operating Rules.
Controlling Participant	the person who is designated as the controlling participant for shares in a CHESS Holding in accordance with the ASX Settlement Operating Rules.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
EBITDA	earnings before interest, tax, depreciation and amortisation.

GST	goods and services tax, imposed under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth) and the related imposition acts of the Commonwealth of Australia.
Insolvency Event	<p>means any of the events set out in section 652C(2) of the Corporations Act, being:</p> <ul style="list-style-type: none"> • a liquidator or provisional liquidator of SRX or a subsidiary being appointed; • a court makes an order for the winding up of SRX or of a subsidiary; • an administrator of SRX, or of a subsidiary, is appointed under section 436A, 436B or 436C of the Corporations Act; • SRX or a subsidiary executes a deed of company arrangement; or <p>a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of SRX or a subsidiary.</p>
Issuer Sponsored Holding	a holding of SRX Shares on SRX's issuer sponsored sub-register.
Listing Rules	the official listing rules of ASX, as amended from time to time.
Market Participant	has the meaning given to it in the ASX Settlement Operating Rules.
Melbourne time	the time observed in Melbourne, Victoria.
Offer	the Offer by PRM to acquire SRX Shares on the terms set out in Section 10 and pursuant to this Bidder's Statement.
Offer Information Line	means Dann Vu (Head of Company Administration) on +1 (203) 767-0273, who can be reached between 9:00 am to 5:00 pm (GMT -4) on Business Days.
Offer Period	the period commencing on 4 April 2024 and ending at 4.00 pm (Melbourne time) on 5 May 2024, or such later date to which the Offer has been extended.
Offer Price	A\$0.095 per SRX Share.
Prescribed Occurrence	<p>means the occurrence of any of the following events set out in section 652C(1) of the Corporations Act being:</p> <ul style="list-style-type: none"> • SRX converting all or any of the SRX Shares into larger or smaller numbers of shares under section 254H of the Corporations Act; • SRX or any of its subsidiaries resolving to reduce its share capital in any way; • SRX or any of its subsidiaries entering into a buy-back agreement or resolving to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act; • SRX or any of its subsidiaries issuing shares, or granting an

option over its shares, or agreeing to make such an issue or grant such an option;

- SRX or any of its subsidiaries issuing, or agreeing to issue, convertible notes;
- SRX or any of its subsidiaries disposing or agreeing to dispose of the whole, or a substantial part, of its business or property;
- SRX 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; and
- SRX or any of its subsidiaries resolving to be wound up.

PRM	PRM Services LLC (registration number 387071)
Relevant Interest	has the meaning given to it in section 9 of the Corporations Act.
Rights	all accretions to and rights attaching to the relevant SRX Shares at or after the date of this Bidder's Statement (including, but not limited to, all dividends and all rights to receive dividends and to receive and subscribe for shares, stock units, notes or options declared, paid or issued by SRX).
SRX	Sierra Rutile Holdings Ltd (ASX:SRX).
SRX Board or SRX Directors	means the board of directors of SRX.
SRX Performance Right	a performance right to be issued, upon the satisfaction of certain conditions, a SRX Share.
SRX Restricted Right	a fully paid ordinary share in SRX, and all Rights attaching to that share.
SRX Share	a fully paid ordinary share in SRX, and all Rights attaching to that share.
SRX Shareholder	a holder of SRX Shares who is able to accept the Offer.
Target's Statement	the target's statement to be issued by SRX in response to this Bidder's Statement in accordance with the Corporations Act.
Trading Days	has the meaning given to it in the Listing Rules.
Voting Power	has the meaning given to it in section 610 of the Corporations Act.
VWAP	volume weighted average price.

11.2 Interpretation

Words and phrases used in this Bidder's Statement have the same meaning (if any) as given to them by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules unless that meaning is inconsistent with the context in which the term is used.

In this Bidder's Statement (including the Offer), the following principles of interpretation apply

unless the context otherwise requires:

- (a) Words importing one gender include other genders.
- (b) Words (including defined terms) importing the plural include the singular and vice versa.
- (c) A reference to a person includes a reference to a corporation.
- (d) Headings are for convenience only and do not affect the interpretation of this Bidder's Statement.
- (e) Reference to Sections and Appendices are to Sections and Appendices of this Bidder's Statement and Appendices to this Bidder's Statement form part of this Bidder's Statement.
- (f) All references to time in this Bidder's Statement are to Perth, Western Australia, time unless expressly specified otherwise.
- (g) References to "Australian dollars", "AUD", "\$", "dollar" "A\$", or cents are references to Australian currency unless expressly specified otherwise.
- (h) A reference to "this Bidder's Statement", "the date of this Bidder's Statement" or similar expressions are references to this replacement Bidder's Statement.

12. Approval of Bidder's Statement

The copy of this Bidder's Statement to be lodged with ASIC has been approved by a resolution of the sole director of PRM.

Dated: 26 March 2024

Signed on behalf of PRM Services LLC



Craig Dean
Director and CEO, PRM Services LLC

Annexure Announcement to ASX of the Offer



For immediate release to market

20 March 2024

ASX Market Announcements Office
ASX Limited
Exchange Centre, 20 Bridge Street
SYDNEY NSW 2000

ON MARKET TAKEOVER BID FOR ORDINARY SHARES OF SIERRA RUTILE HOLDINGS LIMITED

In accordance with section 5.12.1 of the *ASIC Market Integrity Rules (Securities Markets) 2017*, Canaccord Genuity (Australia) Limited (ACN 075 071 466) (the **Bidder's Broker**) announces that it will, on behalf of PRM Services LLC (Registration Number 387071) (the **Bidder**), pursuant to section 635 of the *Corporations Act 2001 (Cth) (Corporations Act)*, offer to acquire on market at a price of A\$0.095 cash per share (**Offer Price**), all of the fully paid ordinary shares (**SRX Shares**) in the capital of Sierra Rutile Holdings Limited (**SRX**) which are listed for quotation on the official list of the Australian Securities Exchange (**ASX**) that exist or will exist during the Offer Period (as defined below) (**Offer**) which the Bidder (or its associates) does not already own or control.

From the date and time of this announcement and ending at the close of trading on the ASX on 5 May 2024 (unless the Offer is withdrawn or extended in accordance with the Corporations Act), the Bidder's Broker (on behalf of the Bidder) will accept at the Offer Price every SRX Share offered to the Bidder's Broker on market up to a maximum of 375,609,090 Shares (being all the SRX Shares on issue at the date of this announcement, excluding those held by the Bidder and its associates) together with any additional SRX Shares which are issued during the Offer Period.

Terms of the Offer

Given that the offer is an on market bid, it is unconditional and the consideration will be paid by way of cash.

The key features of the Offer are:

- it is an on market unconditional offer of A\$0.095 cash per SRX Share;
- the Bidder's Broker will purchase SRX Shares offered to it on market from today at the Offer Price until the conclusion of the Offer Period; and
- the Offer Period may be extended and the Offer Price may be increased or the Offer withdrawn in accordance with the Corporations Act.

Acquisition from Announcement

The Bidder has appointed the Bidder's Broker to purchase all SRX Shares that exist or will exist from today until the conclusion of the Offer Period which are not already owned or controlled by the Bidder or its associates, on its behalf, on market during the official trading days (**Trading Days**) of ASX. The Bidder's Broker has been instructed to purchase, at the Offer Price, every SRX Share offered for sale during the Trading Days in the period from the date of this announcement until the end of the Offer Period.

Settlement and brokerage

Payment for SRX Shares sold to the Bidder under the Offer will be made on a T+2 settlement basis in accordance with the usual ASX Settlement Operating Rules for ASX trading.

As the Offer will only be capable of acceptance by holders of SRX Shares (**Shareholders**) selling through brokers which are participating organisations of ASX, all SRX Shares to be purchased by the Bidder will be purchased on market only during Trading Days.

Any brokerage charged by brokers acting for Shareholders wishing to sell their SRX Shares will be the sole responsibility of those Shareholders.

Offer Period

The Bidder's Broker will stand in the market on behalf of the Bidder and accept SRX Shares offered to it at the Offer Price from the date of this announcement and before the commencement of the Offer Period. However, the Offer will officially be made during the period commencing 10:00am (Melbourne time) on 4 April 2024 and ending on 4:00pm (Melbourne time) on 5 May 2024 unless extended by the Bidder pursuant to the Corporations Act (**Offer Period**).

The Bidder reserves the right to withdraw unaccepted Offers in the circumstances permitted by, and in accordance with, Part 6.7 of the Corporations Act, at any time before the end of the Offer Period.

Bidder's Statement

In accordance with section 635 of the Corporations Act, a Bidder's Statement will today be served on SRX and lodged with each of the ASX and Australian Securities and Investments Commission. A copy of the Bidder's Statement will also be sent to SRX Shareholders prior to commencement of the Offer Period.

The SRX Shares

The SRX Shares which are subject of the Offer are all fully paid ordinary shares in the capital of SRX which the Bidder and its associates do not already have a relevant interest in at the date of the Bidder's Statement or such other shares which are issued during the Offer Period.


Immediately before the making of this announcement:

- in so far as the Bidder is aware, there are 424,236,447 SRX Shares on issue, all of which are quoted on ASX;
- the Bidder has a relevant interest in 48,627,357 SRX Shares on issue, which represents 11.46% of all SRX Shares on issue; and
- the Bidder has voting power in 11.46% of all SRX Shares on issue.

Signed on behalf of **Canaccord Genuity (Australia) Limited**



Duncan St John
Co-Head of Investment Banking



Jeremy Dunlop
Co-Head of Investment Banking

Corporate Directory

PRM

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Level PT, San Juan 00907
PUERTO RICO

Broker to the Offer

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AUSTRALIA

Legal Adviser

Gadens Lawyers
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26 March 2024

Privileged and confidential

Market Announcements Office
Australian Securities Exchange (ASX)
Exchange Centre
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam

On-market takeover bid by PRM Services LLC (registration Number 387071)– Replacement Bidder’s Statement

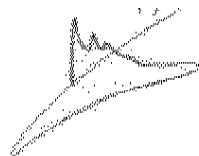
We act for PRM Services LLC (registration Number 387071) (PRM) in relation to its on-market takeover offer (Offer) for all of the shares in Sierra Rutile Holdings (ACN 613 822 165) (SRX) that are not owned by PRM.

We enclose, by way of service pursuant to sections 635A(2)(c) and 647(3)(a)(ii) of the *Corporations Act 2001 (Cth) (Corporations Act)* (as inserted by *ASIC Corporations (Replacement Bidder’s and Target’s Statements) Instrument 2023/688*), a copy of PRM’s first supplementary bidder’s statement dated 26 March 2024 (**First Supplementary Bidder’s Statement**). The First Supplementary Bidder’s Statement attaches a copy of PRM’s original bidder’s statement dated 20 March 2024 (**Original Bidder’s Statement**) showing the changes in mark up that have been made to the Original Bidder’s Statement, which are reflected in PRM’s replacement bidder’s statement in respect of the Offer (**Replacement Bidder’s Statement**).

A clean version of the Replacement Bidder’s Statement will be lodged with ASX pursuant to section 635A(2)(c) of the *Corporations Act* (as inserted by *ASIC Corporations (Replacement Bidder’s and Target’s Statements) Instrument 2023/688*) in a separate announcement on the date of this notice.

A copy of the First Supplementary Bidder’s Statement and the Replacement Bidder’s Statement have today been lodged with the Australian Securities and Investments Commission and served on SRX.

Yours faithfully



Michael Kenny
Partner

FIRST SUPPLEMENTARY BIDDER'S STATEMENT

PRM Services LLC (Registration Number 387071)

1. Introduction

This document is the first supplementary bidder's statement issued by PRM Services LLC (registration Number 387071) (**PRM (First Supplementary Bidder's Statement)**) to the bidder's statement dated 20 March 2024 which was issued by PRM in relation to its on-market takeover offer (**Offer**) for all of the shares in Sierra Rutile Holdings (ACN 613 822 165) (**SRX**) that are not owned by PRM (**Original Bidder's Statement**). This First Supplementary Bidder's Statement supplements, and should be read together with, the Original Bidder's Statement.

2. Replacement Bidder's Statement

A replacement bidder's statement issued by PRM and dated 26 March 2024 replaces the Original Bidder's Statement (**Replacement Bidder's Statement**).

Attached to this First Supplementary Bidder's Statement is a marked up copy of the Original Bidder's Statement showing the changes that have been made to that Original Bidder's Statement, which are reflected in the (clean) Replacement Bidder's Statement.

A clean copy of the Replacement Bidder's Statement is or will be available online at <https://www.asx.com.au/>.

3. Timetable and process

PRM will commence sending the Bidder's Statement and First Supplementary Bidder's Statement to offerees on 3 April 2024.

The Offer opens on 4 April 2024 and is scheduled to close at 4.00 pm (Melbourne time) on 5 May 2024.

SRX shareholders who have any questions about the Offer should call Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9.00am to 5.00pm (GMT -4 time zone) on Business Days, or contact your legal, financial or other professional advisers.

4. Other notices

Unless the context otherwise requires, terms defined in the Original Bidder's Statement have the same meaning in this First Supplementary Bidder's Statement.

A copy of this First Supplementary Bidder's Statement was lodged with the Australian Securities and Investment Commission (**ASIC**) on 26 March 2024. Neither ASIC nor any of its officers takes any responsibility for its contents.

This First Supplementary Bidder's Statement has been approved by a resolution passed by the directors of PRM.

Date: 26 March 2024

Signed for and on behalf of **PRM SERVICES
LLC:**



Director

Craig Dean

Print Name

ACCEPT

UNCONDITIONAL MARKET OFFER

by

PRM SERVICES LLC

Registration Number 387071

to acquire all of your shares in

Sierra Rutile Holdings

ACN 613 822 165

For each share you will receive A\$0.095 in cash.

Canaccord Genuity (Australia) Limited (ACN 075 071 466) and AFSL 234666 has been appointed by PRM as its Broker to stand in the market and purchase shares in Sierra Rutile Holdings Ltd offered to it at the Offer Price from **4 April 2024**.

The Offer Period officially closes at 4.00 pm (Melbourne time) on 5 May 2024 unless extended.

This is an important document and requires your immediate attention. If you are in doubt as to how to deal with this document, you should consult your financial or other professional advisers as soon as possible.

Broker



Legal Adviser

gadens

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Important information

Important dates

Event	Time and Date
Announcement of Offer	20 March 2024
<u>Date of the original Bidder's Statement lodged with ASIC, ASX and SRX</u>	20 March 2024
<u>Date of this replacement Bidder's Statement lodged with ASIC, ASX and SRX</u>	26 March 2024
Earliest date from which SRX Shareholders are able to sell SRX Shares to PRM	20 March 2024
Offer Period officially opens	10:00 am (Melbourne time) on 4 April 2024
Offer Period closes* (unless extended)	4.00 pm (Melbourne time) on 5 May 2024

*This date is indicative only and may be extended as permitted by the Corporations Act. All dates and times are references to the date and/or time in Melbourne, Victoria, Australia, unless otherwise stated.

Bidder's Statement

This document is the replacement Bidder's Statement issued by PRM (PRM) under Part 6.5 of the Corporations Act (as modified by ASIC Class Order 2023/688). PRM is a Puerto Rican registered company that is majority owned by Craig Dean, the director and chief executive officer of PRM. This replacement Bidder's Statement is dated ~~20~~ 26 March 2024 and includes an offer to acquire all SRX Shares (other than those already owned by PRM and its Associates) as described in Section 10 (Offer).

This replacement Bidder's Statement is dated 26 March 2024 and replaces the original Bidder's Statement lodged with ASIC on 20 March 2024. A copy of this replacement Bidder's Statement was lodged with ASIC on ~~20~~ 26 March 2024. Neither ASIC nor any of its officers takes any responsibility for the content of this replacement Bidder's Statement or the merits of the Offer.

No account of personal circumstances

The information provided in this Bidder's Statement is not investment advice and does not take into account the individual investment objectives, financial situation and particular needs of each shareholder of Sierra Rutile Holdings Ltd (SRX). You should consider the contents of this Bidder's Statement in light of your personal circumstances (including financial and taxation issues) and seek independent professional advice from an accountant, stockbroker, lawyer or other professional advisor before making a decision as to whether or not to accept the Offer.

Reserves and resources

Unless otherwise indicated, all reserves and resources information in respect of SRX has been extracted from information included in public documents filed by SRX. This information has not been verified by PRM.

Disclaimer as to forward looking statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward-looking statements. You should be aware that such statements are only predictions and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to the industry in which SRX operates, as well as general economic conditions, prevailing exchange rates, interest rates and conditions in the financial markets in Australia and globally. Actual events or results may differ materially from the events or results expressed or implied in any forward-looking statement. Matters as yet not known to PRM or not currently considered material by PRM may cause actual results or events to be materially different from those expressed, implied or projected in any forward-looking statements. Any forward-looking statement contained in this document is qualified by this cautionary statement.

None of PRM or any of the officers or employees of PRM, nor any persons named in this Bidder's Statement 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. The forward-looking statements in this Bidder's Statement reflect views held only as at the date of this Bidder's Statement.

Disclaimer as to information on SRX

The information concerning SRX contained in this Bidder's Statement has been obtained from publicly available sources. The information in this Bidder's Statement concerning SRX's financial position, assets and liabilities and performance, profits and losses and prospects of the SRX group has not been independently verified by PRM or any of its respective officers or employees. Neither PRM nor any of its directors, officers or advisers assume any responsibility for the accuracy or completeness of this information. Accordingly, subject to the Corporations Act, PRM does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information. The information concerning SRX contained in this Bidder's Statement should not be deemed to be comprehensive.

Further information on SRX's business will likely be included in the Target's Statement which SRX is required to provide to SRX Shareholders in response to this Bidder's Statement.

Foreign shareholders

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia and the Listing Rules. The disclosure requirements in relation to the Offer in Australia will differ from those applying in other jurisdictions.

The distribution of this Bidder's Statement may be restricted in some countries. Therefore, persons who come into possession of this Bidder's Statement should make themselves aware of, and comply with, those restrictions.

This document does not constitute an offer to acquire SRX Shares in any jurisdiction in which such an offer would be illegal.

Privacy

PRM has collected your information from the register of SRX Shareholders for the purpose of making the Offer and, if accepted, administering acceptances over, your shareholding in SRX. The Corporations Act requires the name and address of SRX Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to PRM and its respective officers, employees, advisers and other external service providers, and may be required to be disclosed to regulators such as ASIC. If you would like details of information about you held by PRM, please call Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9:00 am to 5:00 pm (GMT -4) on Business Days, or contact your legal, financial or other professional adviser.

Effect of rounding

Figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Bidder's Statement may be subject to the effect of rounding. Accordingly, the actual figures may vary from those included in this Bidder's Statement. Any discrepancies between totals in tables or financial statements or in calculations graphs or charts are due to rounding.

Estimates and assumptions

Unless otherwise indicated, all references to estimates, assumptions and derivations of the same in this Bidder's Statement are references to estimates, assumptions and derivations of the same by PRM. Management estimates reflect, and are based on, views as at the date of this Bidder's Statement, and actual facts or outcomes may materially differ from those estimates or assumptions.

Websites

References in this Bidder's Statement to SRX's website (<https://sierra-rutile.com/https://www.mincor.com.au/site/content/>) are for your reference only. Information contained in or otherwise accessible from these websites are not part of this Bidder's Statement.

How to accept

To accept the Offer, follow the instructions set out in Section 2 of this Bidder's Statement.

Defined terms

A number of defined terms are used in this Bidder's Statement. Unless the context otherwise requires, capitalised terms have the meaning given in Section 11 of the Bidder's Statement.

This is an important document and should be read in its entirety before you decide whether to accept the Offer. If you are in any doubt as to how to deal with this document or whether to accept the Offer, you should consult your financial or other professional advisers.

If you have any questions or require any further information in relation to the Offer, please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9:00 am to 5:00 pm (GMT -4 time zone) on Business Days, or contact your legal, financial or other professional adviser.

Letter from PRM

~~26~~ March 2024

Dear SRX Shareholder,

I am pleased to present this offer (the **Offer**) by PRM Services LLC (Registration Number 387071) (**PRM**), to acquire all of your SRX Shares for A\$0.095 per SRX Share in cash (the **Offer Price**), which provides you with an attractive, certain and immediate value for your SRX Shares.

PRM has an interest and Voting Power of approximately 11.46% of SRX Shares.

A summary of the key reasons for accepting the Offer are as follows:

- The Offer Price represents fair value given that it is a premium of 21.79% to the closing price of SRX Shares on the most recent day of trading preceding the Announcement Date.
- The Offer Price will be paid to you in cash, providing you with certain value for your SRX Shares.
- As the Offer is unconditional, you can sell some or all of your SRX Shares for 100% cash consideration at the Offer Price to PRM immediately on ASX and receive cash 2 Trading Days (T+2) after your acceptance.
- Accepting the Offer and selling your SRX Shares now removes any risks that could otherwise affect the future value of your SRX Shares.

The Offer may only be accepted by selling your SRX Shares on-market on the ASX. You can do this through your Broker. Canaccord has been appointed by PRM as Broker to the Offer. A summary of how to sell your SRX Shares to PRM is set out in Section 2.

The Offer is scheduled to close at 4.00 pm (Melbourne time) on 5 May 2024 unless extended.

Should you not accept the Offer and it lapses, the SRX Share price may drop to pre-Offer levels or below with a reduced level of trading liquidity. Some consequences of not accepting the Offer are set out in Section 1.

If you have any questions or require any further information in relation to the Offer, please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 9:00 am to 5:00 pm (GMT -4 time zone) on Business Days, or contact your legal, financial or other professional adviser.

For the reasons outlined above, and detailed in this Bidder's Statement, I strongly encourage you to carefully read this Bidder's Statement and then contact your chosen Broker to **ACCEPT** this Offer, which delivers you certain value for your SRX Shares.

Yours faithfully,



Craig Dean
Director and CEO, PRM Services LLC

1. Why you should ACCEPT the Offer

1.1 The Offer Price represents a premium to SRX's historic trading prices

PRM is offering 100% cash consideration to SRX Shareholders of A\$0.095 cash per SRX Share. The Offer values the equity of SRX at approximately A\$40,302,462.47 on an undiluted basis.

The all-cash Offer represents a premium to SRX's last closing share price and volume weighted average price (**VWAP**) of SRX Shares as follows:

- (a) 21.79% premium to the closing price of SRX Shares on the trading day immediately preceding the Announcement Date of \$0.0780;
- (b) 21.64% to the VWAP for the 15 trading days immediately preceding 15 March 2024 of \$0.0781;
- (c) 28.73% to the VWAP for the 30 trading days immediately preceding 15 March 2024 of \$0.0738; and
- (d) 17.43% to the VWAP for the 45 trading days immediately preceding 15 March 2024 of \$0.0809.

The Offer represents a particularly attractive value to SRX Shareholders given the current risks and uncertainties associated with remaining a SRX Shareholder in the face of prevailing commodity price risks, sovereign, political and operational risks and funding risks risk. PRM believes these risks appear to be weighing on SRX's valuation, as demonstrated by the 66.09% decline in its share price over the last 12 months.

1.2 You will receive certain and immediate value for your SRX Shares through a 100% cash consideration payable on a T+2 basis

Key attributes of the Offer are:

- (a) the Offer consists of 100% cash consideration of A\$0.095 per SRX Share;
- (b) the Offer is unconditional, which provides additional security in respect of receiving your cash consideration;
- (c) you may sell your SRX Shares on-market at the Offer Price immediately from the Announcement Date of 20 March 2024 until the Offer closes at 4.00 pm (Melbourne time) on 5 May 2024 unless the Offer Period is extended or the Offer is withdrawn. The Offer Period officially commences at 10:00 am (Melbourne time) on 4 April 2024;
- (d) you will receive a cash payment on a T+2 basis (being 2 Trading Days after your acceptance); and
- (e) the Offer is fully funded at A\$0.095 per SRX Share for all remaining SRX Shares that PRM and Craig Dean do not own, enabling shareholders to dispose of large parcels of shares for certain and attractive value without any liquidity concerns.

The certainty of this receipt of the all-cash Offer should be compared against the uncertainties of, and risks associated with, remaining a SRX Shareholder in the current uncertain economic environment. Some key risks include, but are not limited to:

- (f) risks of being a minority shareholder – if you do not accept the Offer and PRM

acquires more than 50% of the SRX Shares (on a fully diluted basis) but does not achieve the threshold for compulsory acquisition:

- (i) you may be left with a small shareholding in SRX;
 - (ii) the SRX Shareholder spread after the Offer is completed may be less than required under the Listing Rules; and
 - (iii) ASX may choose to suspend or de-list SRX in which case, the liquidity in SRX Shares may be severely impacted;
- (g) market risks – recent global economic events have contributed to greater uncertainty, volatility and a general 'risk-off' sentiment in financial markets. There continues to be speculation surrounding movement in the global economy;
- (h) uncertainty – uncertainty about the effects of the Offer may adversely affect the business and operations of SRX which may in turn affect your investment in SRX particularly if you remain a minority shareholder;
- (i) share price volatility – the potential risk of share price falls due to a number of factors including those mentioned in this Section 1; and
- (j) liquidity risk – depending on the level of acceptances PRM receives under the Offer, the market for SRX Shares may become even less liquid than at present. This could make it more difficult for you to sell your SRX Shares at an attractive price in the future.

You can choose, in effect, between the all-cash unconditional Offer of certain value which is available now and future uncertain value by retaining your SRX Shares.

1.3 Consequences of not accepting

PRM believes that the Offer for SRX Shares is attractive and represents fair value. However, if you choose not to accept the Offer, there are certain risks of which you should be aware, including:

- (a) following the close of the Offer, the SRX Share price may drop to pre-Offer levels with a reduced level of trading liquidity;
- (b) if PRM acquires control of SRX but does not achieve compulsory acquisition, you will become a minority shareholder in SRX with limited influence in the running of the business;
- (c) even if PRM does not achieve compulsory acquisition at the end of the Offer Period, subject to meeting the eligibility requirements of the Listing Rules, PRM may seek to have SRX removed from the official list of the ASX. Should this occur, remaining as a minority shareholder in a private company presents you with additional risks including significant difficulty in selling your SRX Shares at the current price levels in the future; and
- (d) if PRM becomes entitled to acquire your SRX Shares compulsorily, it intends to exercise those rights. If your SRX Shares are compulsorily acquired by PRM, you will be paid the Offer consideration of A\$0.095 cash for each of your SRX Shares. However, you will receive the money later than the SRX Shareholders who choose to accept the Offer.

You should consult with your Broker or financial or other professional advisers to ascertain the impact of the risks outlined above on the value of your SRX Shares.

1.4 **There is no superior or alternative proposal for your SRX Shares**

PRM's Offer is the only offer to acquire your SRX Shares at the date of this Bidder's Statement.

If no other offers are made for your SRX Shares, SRX's share price may fall below the Offer Price after the Offer closes.

1.5 **No stamp duty or GST in accepting the Offer**

You will not pay stamp duty or GST on the disposal of your SRX Shares if you accept the Offer (other than GST payable by your Broker in respect of brokerage fees, if any, charged to you).

1.6 **There is material uncertainty in SRX's operations**

The Government of Sierra Leone (**GoSL**) had entered into a Third Amendment Agreement (**TAA**) with SRX effective 1 August 2021 which provided significant concessions for Area 1 mine life to support continuity of its operations pending the development of Sembehun.

In January 2024, SRX received correspondence from GoSL stating GoSL's intention to proceed on the basis that, the fiscal regime set out in the TAA would no longer apply to SRX, and that SRX would revert to the fiscal regime in place as at 20 November 2001 between SRX and the GoSL (or similar).

The dispute resolution provisions under the Third Amendment Agreement contemplate that the parties will attempt to resolve any dispute in good faith through negotiation. If the dispute is not settled by negotiation, the dispute can be referred to arbitration in the United Kingdom. SRX has initiated this dispute process with GoSL, which starts with an obligation to seek to negotiate an agreed outcome.

The arising uncertainty concerning the fiscal regime does not provide a stable platform upon which SRX can make ongoing strategic, capital or investment decisions or enter into the required major contracts necessary to continue production for the remainder of Area 1's mine-life.

SRX announced on 11 March 2024 that it has suspended all mining and processing activities at its Area 1 operations and commenced a process of engagement with GoSL and staff that will result in approximately 25% of staff, including expatriate staff, being issued with redundancy notices by the end of March 2024.

Details in relation to the operations at Area 1 are set out in Section 5.2.

1.7 **Class action against SRX**

On 22 January 2019, SRX was served with a writ and statement of claim in respect of an action filed in the High Court of Sierra Leone Commercial and Admiralty Division against both SRX and The Environmental Protection Agency.

The proceedings have been brought by a group of landowner representatives (**Representatives**) who allege that they suffered loss as a result of SRX's mining operations. The claims primarily relate to environmental matters. The Representatives allege, in part, that SRX engaged in improper mining practices resulting in environmental degradation and contamination, did not meet certain rehabilitation obligations and violated local mining laws. SRX denies liability in respect of the allegations and is defending the claims. SRX filed its defence in March 2019 and also applied to the Court for an order requiring the Representatives to provide further detail on their claims.

As at 31 December 2023, the status of the proceedings has still not reached a stage where SRX is able to reliably estimate the quantum of liability, if any, that SRX may incur in respect of the class action.

1.8 Decline in the financial performance of SRX

The financial performance of SRX as at 30 June 2023 reflects the weak demand in the global pigment market:

- SRX's revenue decreased by 31%, down from \$254.5 million in 2022 to \$176.3 million in 2023.
- SRX's EBITDA decreased by 62% from \$22.1 million.
- SRX suffered a net loss after tax of \$20.1 million, down from a \$75.6 million profit in 2022.

2. How to accept the Offer

You may sell your SRX Shares to PRM on-market by offering to sell some or all of your SRX Shares on ASX at the Offer Price on and from the Announcement Date until the end of the Offer Period.

Canaccord will stand in the market to acquire, on behalf of PRM, all SRX Shares offered at the Offer Price during normal trading on and from the Announcement Date, as follows:

(a) Issuer Sponsored Holding

If your SRX Shares are registered in an Issuer Sponsored Holding (i.e. your Security Reference Number starts with an "I"), you must instruct any Broker (which may also include Canaccord, where Canaccord is your existing Broker or you appoint Canaccord as your Broker) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period.

(b) CHESS Holding

If your SRX Shares are in a CHESS Holding (i.e. your Holder Identification Number starts with an "X"), you must instruct your Broker (your Controlling Participant) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period.

(c) Broker or Controlling Participant

If you are a Broker or a Controlling Participant, to sell your SRX Shares to PRM you must initiate acceptance in accordance with the ASX Settlement Operating Rules before the end of the Offer Period.

(d) Beneficial Owner

If you are a beneficial owner of SRX Shares 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.

Canaccord will execute trades on behalf of any SRX Shareholder wishing to accept the Offer provided they have an account opened with it.

If you have any questions about the Offer, please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 10:30 am to 4:00 pm (Melbourne time) on Business Days, or contact your legal, financial or other

professional advisers.

3. Summary of the Offer

This Section provides summary answers to some questions you may have in relation to the Offer, and is intended to assist in your understanding of the Offer. They are qualified by the information contained in the rest of this Bidder's Statement. It is not intended to address all relevant issues for SRX Shareholders. Section 10 of this Bidder's Statement contains the full terms and conditions of the Offer. You should read this Bidder's Statement in full before deciding how to deal with your SRX Shares.

Question	Answer
What is the Offer?	PRM is offering to acquire all of your SRX Shares for A\$0.095 cash per SRX Share by way of an on-market takeover bid on the terms and conditions set out in this Bidder's Statement.
Who is making the Offer?	PRM is a Puerto Rican registered company which currently has a Relevant Interest in 48,627,357 SRX Shares, giving it approximately 11.46% of the total Voting Power in SRX. Further information on PRM is set out in Section 4.
How do I accept the Offer?	<p>Because the Offer is an on-market offer, acceptance is made by selling your SRX Shares through PRM's Broker, Canaccord, or any Market Participant of ASX before the end of the Offer Period. You are not required to complete a form to accept the Offer.</p> <p>Depending on the nature of your holding, you may accept the Offer in the following ways:</p> <ul style="list-style-type: none"> • Issuer Sponsored Holding: If your SRX Shares are registered in an Issuer Sponsored Holding (i.e. your Security Reference Number starts with an "I"), you must instruct any Broker (which may also include Canaccord, where Canaccord is your existing Broker or you appoint Canaccord as your Broker) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period. • CHESSE Holding: If your SRX Shares are in a CHESSE Holding (i.e. your Holder Identification Number starts with an "X"), you must instruct your Broker (your Controlling Participant) to sell your SRX Shares on-market at the Offer Price before the end of the Offer Period. • Broker or Controlling Participant: If you are a Broker or a Controlling Participant, to sell your SRX Shares to PRM you must initiate acceptance in accordance with the ASX Settlement Operating Rules before the end of the Offer Period. <p>Beneficial owner: If you are a beneficial owner of SRX Shares 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.</p> <p>Section 2 provides more detailed instructions on how to accept the Offer.</p>

Can I sell part of my shareholding?	Yes. You may choose to sell some or all of your SRX Shares under the Offer.
When can I sell my SRX Shares to PRM?	<p>You can sell your SRX Shares on-market to PRM immediately and at any time during the Offer Period.</p> <p>Canaccord will stand in the market on behalf of PRM and purchase SRX Shares offered to it at the Offer Price from the Announcement Date of 20 March 2024 until the end of the Offer Period at 4.00 pm (Melbourne time) on 5 May 2024 (unless extended in accordance with the Corporations Act).</p>
If I accept the Offer, when will I be paid?	If you accept the Offer, the usual rules for settlement of transactions which occur on-market on ASX will apply. Once you have accepted the Offer and sold your SRX Shares, you will be paid on a T+2 basis (being 2 Trading Days after your acceptance).
How does the Offer apply to SRX Performance Rights and Restricted Rights?	The Offer will not extend to the acquisition of any SRX Performance Rights or SRX Restricted Rights currently on issue. However, the Offer will extend to any SRX Shares that are issued between 20 March 2024 and the end of the Offer Period as a result of the vesting and exercise of SRX Performance Rights or SRX Restricted Rights.
What if I accept the Offer and PRM increases the Offer Price	<p>PRM may vary the Offer by increasing the Offer Price in accordance with the Corporations Act. If you have sold your SRX Shares prior to the increase in the Offer Price, you will not receive the benefit of any increase in the Offer Price.</p> <p>If SRX Shareholders sell on-market on the ASX to PRM, they will not be entitled to receive the benefit of any increase in the Offer Price.</p>
What will the tax consequences be?	You should consult your financial, tax or other professional advisor regarding the tax implications of acceptance. However, please refer to Section 8 for a general description of some of the tax implications for SRX Shareholders who accept the Offer.
Do I pay brokerage or stamp duty if I accept?	<p>If your SRX Shares are registered in an Issuer Sponsored Holding in your name, the relevant Broker you instruct to initiate acceptance on your behalf may charge transactional fees or service charges in connection with acceptance of the Offer.</p> <p>If your SRX Shares are registered in a CHESS Holding or if you are a beneficial holder and your SRX Shares are registered in the name of a Broker, bank, custodian or other nominee (i.e. your Controlling Participant), the Controlling Participant may charge transactional fees or service charges in connection with acceptance of the Offer.</p> <p>Accordingly, you should ask your Broker or Controlling Participant (as applicable) in relation to brokerage.</p> <p>PRM will bear the cost of its own brokerage (if any) on the transfer of SRX Shares acquired through acceptance of the Offer.</p> <p>You will not pay stamp duty or GST on the disposal of your SRX Shares if you accept the Offer (other than GST payable by your Broker in respect of brokerage fees charged to you).</p>
When does the Offer close?	The Offer is scheduled to close at 4.00 pm (Melbourne time) on 5 May 2024. You should note that the Offer Period can be extended as permitted by the Corporations Act.

Can the Offer be varied and can the Offer Period be extended?	<p>Yes, the Offer can be varied by PRM in accordance with the Corporations Act.</p> <p>The Offer Period can be extended at any time prior to the last 5 Trading Days of the Offer Period or, in certain limited circumstances, at any time prior to the end of the Offer Period (subject to compliance with the law).</p> <p>The Offer Period will be automatically extended if PRM's Voting Power in SRX increases to more than 50% in the last 7 days of the Offer Period. In that case, the Offer Period will then end 14 days after PRM's Voting Power increases to more than 50%.</p> <p>Any variation or extension will be announced to ASX. However, if you have sold your SRX Shares prior to any such announcement you will not receive any benefit from the variation.</p>
Can the Offer be withdrawn?	<p>PRM may withdraw the Offer in respect of any Offers that are unaccepted at any time:</p> <ul style="list-style-type: none"> • with the written consent of ASIC and subject to the conditions (if any) specified in such consent; • where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence PRM's Voting Power in SRX is at or below 50%; or • upon the occurrence of an Insolvency Event in relation to SRX. <p>Notice of withdrawal of the Offer must be given by PRM to ASX.</p>
What happens if I do not accept?	<p>If you do not accept the Offer, you will remain a SRX Shareholder and will not receive the consideration offered by PRM.</p> <p>If PRM becomes entitled to compulsorily acquire your SRX Shares, it intends to do so. If your SRX Shares are compulsorily acquired by PRM, you will be paid the Offer consideration of A\$0.095 cash for each of your SRX Shares. However, you will receive the money later than the SRX Shareholders who choose to accept the Offer.</p> <p>Further information on the intentions of PRM is set out in Section 6</p>
Are there any conditions to the Offer?	<p>No, the Offer is unconditional.</p>
What if I require further information?	<p>If you have any questions about the Offer, please call Dann Vu (Head of Company Administration) on +1 (203) 767-0273 between 10:30 am to 4.00 pm (Melbourne time) on Business Days, or contact your legal, financial or other professional adviser.</p>

4. Overview of PRM

PRM is holding and investment company of various entities which trade business globally and in Africa in the commodity space, but more specifically critical metals and minerals. Craig Dean is the Chairman and controlling shareholder of PRM, who is an American.

PRM's strategy is to continue the businesses of SRX and to optimise the cost structure and not make any material changes that are not required to ensure the longevity of the SRX.

SRX has the potential to be a viable and profitable operating company, with the correct guidance and strategy and resources deployed, if it has the right strategic partners with Africa and local experience.

PRM has a proven track record in mining, operations, and build-out and ramp-up in Africa, including Sierra Leone (where the SRX project is based). PRM's strategy is to deploy its group's mining, management and trade know-how and resources to turn SRX and its Sierra Leone rutile project into a successful asset.

5. Overview of Sierra Rutile Holdings Ltd

5.1 Disclaimer

The information in this Section 5 concerning SRX has been prepared based on a review of publicly available information (which has not been independently verified). Neither PRM nor any of its respective directors, officers, employees or advisers, 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 SRX in this Bidder's Statement should not be considered comprehensive.

In addition, the Corporations Act requires the SRX Directors to provide a Target's Statement to SRX Shareholders in response to this Bidder's Statement, setting out material information concerning SRX. Further information relating to SRX may be included in its Target's Statement in relation to the Offer, which will be sent to you directly by SRX.

5.2 Overview of SRX and its principal activities

SRX is an ASX listed Australian company. SRX's principal activities are the operation and ongoing development of a multi-deposit mineral sands mining operation in southern Sierra Leone and is the largest producer of natural rutile in the world, supplying over 20% of the world's natural rutile.

Rutile is the highest-grade naturally occurring TiO₂ feedstock used in the manufacture of pigment used in paints, laminates, plastic pipes and packaging, inks, clothing, sunscreen, toothpaste and in the cosmetic industry. Rutile is also used as welding electrode and to manufacture titanium metal, which is a critical mineral and has the highest strength to weight ratio of all commercial metals. Titanium is used across a diverse range of applications including aeronautics, medical implants, defence and sporting goods.

Sierra Rutile has an established operating history of more than 50 years and, if the proposed Sembahun Project proceeds, the deposit will add many years of additional mine life as well as lowering the Company's cost base. The Company is one of the largest private employers in Sierra Leone.

Sierra Rutile's high quality products include:

- Standard Grade Rutile (SGR). Considered an industry leading high quality product and is consumed primarily in the manufacture of titanium dioxide pigment and titanium sponge. Accounts for 85-90% of Sierra Rutile's annual rutile production.
- Industrial Grade Rutile (IGR). Well suited to high quality flux core wire applications due to its excellent packing density and low contaminant level. Trades at a premium to competing rutile products. High-grade chloride ilmenite. Suitable for direct chlorination into titanium dioxide pigment and transformation into titanium slag.
- Zircon In Concentrate (ZIC). ZIC is a by-product stream typically containing around 20-25% zircon as well as other heavy minerals. The zircon is extracted and consumed in applications such as ceramic tiles, sanitary ware, foundry coatings, refractories, and in the chemical industry.

Area 1

Sierra Rutile's current mining and mineral processing operations extract and process ore from the Gangama, Taninahun, Gbeni, Lanti deposits. Subject to conducive market conditions and fiscal arrangements, the Company hopes to develop mine life extensions at the Pejebu and Ndendemoia deposits as well as at the Mogbwemo tails. Current operations include four wet concentrator plants (WCPs); a mineral separation plant (MSP) and associated infrastructure; residential camps for senior and management staff; and a dedicated port facility. These deposits and operations are collectively referred to as Area 1.

Please refer to Section 1.6 in relation to SRX's suspension of operations at Area 1 effective 11 March 2024.

Sembehun

Sierra Rutile holds one of the world's largest and highest quality known natural rutile deposits, the Sembehun Project. Located approximately 30 kilometres from the current Area 1 operations, Sembehun presents an attractive development opportunity with long mine life, good grades, contiguous deposits, and additional exploration potential that can leverage the extensive Area 1 processing and infrastructure investment.

Development spend on Sembehun during the year included \$9.4 million advancing the DFS, which is due to be completed by the middle of H1 2024.

As at the date of this Bidder's Statement, SRX's subsidiaries are as follows:

Name of entity	Country of incorporation	Equity holding (%)
Sierra Rutile International UK Limited	United Kingdom	100%
Sierra Rutile Investments (BVI) Limited	British Virgin Islands	100%
Sierra Rutile International South Africa (Pty) Ltd	South Africa	100%
SRL Acquisition No.3 Limited	British Virgin Islands	100%
Sierra Rutile (UK) Limited	United Kingdom	100%
Sierra Rutile Investments 1 Limited	British Virgin Islands	100%
Sierra Rutile Limited	Sierra Leone	100%

5.3 Directors and senior managers

- (a) As at the date of this Bidder's Statement, the SRX Directors are as follows:
- (i) Greg Martin – Non-executive Director and Chairman;
 - (ii) Theuns de Bruyn – Managing Director;
 - (iii) Martin Alciaturi – Finance Director;
 - (iv) Joanne Palmer – Non-Executive Director;
 - (v) Graham Davidson - Non-Executive Director; and
 - (vi) Patrick O'Connor – Non-Executive Director.
- (b) As at the date of this Bidder's Statement, SRX's executive leadership team is as follows:
- (i) Theuns de Bruyn – Chief Executive Officer;
 - (ii) Martin Alciaturi – Finance Director;
 - (iii) Eben Lombard – Chief Operating Officer;
 - (iv) Maurice Cole – Chief Financial Officer;
 - (v) Derek Folmer – General Manager Marketing;
 - (vi) Sue Wilson – General Counsel and Company Secretary;
 - (vii) Barry Honnah – Human Resources Manager;
 - (viii) Osman Lahai – Community Relations and Social Development Manager; and
 - (ix) Hussine Yilla – Corporate Affairs and Government Relations Manager.

5.4 SRX securities on issue

Based on documents provided by SRX to ASX as at the date immediately before the Announcement Date:

- (a) there were a total of 424,236,447 SRX Shares on issue;
- (b) there were a total of 14,109,004 SRX Performance Rights on issue;
- (c) there were a total of 580,377 SRX Restricted Rights on issue; and
- (d) each of the following persons (on behalf of itself and its Associates) have lodged substantial holding notices showing the following substantial holdings in the issued ordinary share capital of SRX:

SRX Shareholder	SRX Shares ¹	Voting Power (%) ¹
PRM Services LLC and Craig Dean ²	48,617,497 ³	11.46%

SRX Shareholder	SRX Shares ¹	Voting Power (%) ¹
Ecsson Investments Limited (EIL), Assaad Yazbeck, Joseph Yazbeck, Rockbridge Overseas Limited and Mano Mining and Logistics Limited	33,600,987 ^d	9.62%
Perpetual Limited and its related bodies corporate	22,228,818 ^e	5.24%
Samuel Terry Asset Management Pty Ltd (ACN 108 611 785) as trustee for Samuel Terry Absolute Return Fund (ABN 25 726 649 409)	82,177,177 ^e	19.37%

Notes:

1. The actual number of SRX Shares held or the Voting Power may differ from that shown above given there is no obligation to publicly disclose changes if the change in Voting Power is less than 1%.
2. As at the date immediately before the Announcement Date, the registered holders of SRX Shares is PRM.
3. Since PRM's last Form 604 (Notice of change of interests of substantial holder) dated lodged on 14 March 2024, PRM had acquired an additional 22,506,770 shares in SRX, which ~~will be~~ reflected in the Form 604 that PRM lodged ~~dated 20 March 2024~~ in relation to this Offer in accordance with section 671B(1)(c) of the Corporations Act.
4. ~~Since the Announcement Date, this SRX Shareholder's interest increased to 45,390,899 SRX Shares and 10.70% voting power in SRX on 21 March 2024.~~
5. ~~Since the Announcement Date, this SRX Shareholder ceased to be a substantial holder on 13 March 2024.~~
6. ~~Since the Announcement Date, this SRX Shareholder's interest increased to 88,930,100 SRX Shares and 20.96% of voting power in SRX on 20 March 2024.~~

~~Since Perpetual Limited's last Form 604 (Notice of change of interests of substantial holder) dated lodged on 28 February 2024, PRM understands that Perpetual Limited has sold 22,506,770 shares in SRX, which will be reflected in a Form 604 that PRM anticipates that Perpetual Limited will soon lodge.~~

5.5 SRX Performance Rights and SRX Restricted Rights

The Offer will not extend to the acquisition of any SRX Performance Rights and SRX Restricted Rights currently on issue. However, the Offer extends to any SRX Shares that are issued between 20 March 2024 and the end of the Offer Period as a result of the vesting of SRX Performance Rights and/or the SRX Restricted Rights.

According to information released on ASX as at the date of this Bidder's Statement:

- (a) there are 14,109,004 SRX Performance Rights which remain unvested;

- (b) there are 580,377 SRX Restricted Rights which remain unvested; and
- (c) on a change of control event, the Board of SRX can determine the treatment of any unvested SRX Performance Rights and SRX Restricted Rights.

Accordingly, the Board of SRX may determine to vest some or all of the unvested SRX Performance Rights and/or the SRX Restricted Rights, in which case the Offer will extend to the SRX Shares issued on vesting of those SRX Performance Rights and/or the SRX Restricted Rights.

5.6 Other material information about SRX

SRX will have the opportunity to disclose in its Target's Statement any information about the SRX group it considers SRX Shareholders would reasonably require to make an informed assessment as to whether to accept the Offer.

5.7 Publicly available information

SRX is listed on ASX and is obliged to comply with the periodic and continuous disclosure requirements of the Corporations Act and the Listing Rules. For more information concerning the financial position and affairs of SRX, you should refer to the full range of information that has been disclosed by SRX pursuant to those obligations. Further publicly available information about SRX is available on SRX's website at <https://sierra-rutile.com/investors/> or the ASX website at www.asx.com.au.

SRX's annual report for the year ended 31 December 2023 was lodged with ASIC and given to ASX on 28 February 2024.

SRX's half-yearly financial report for the half year ended 30 June 2023 was lodged with ASIC and given to ASX on 24 August 2023.

5.8 Interests of PRM in SRX's issued securities and Voting Power in SRX

- (a) **PRM's interest in SRX Shares and Voting Power:** As at the date immediately before the Announcement Date, PRM had a Relevant Interest in 48,627,357 SRX Shares, giving it approximately 11.46% of the total Voting Power in SRX.
- (b) **Prices paid for SRX Shares by PRM:** Except as set out below, during the 4 months before the date of the Announcement, PRM did not provide, or agreed to provide, consideration for a SRX Share under a purchase or agreement:

Date of purchase	Price per SRX Share	Number of SRX Shares purchased
18 March 2024	\$0.095	22,516,630
12 March 2024	\$0.074	6,716,522
7 March 2024	\$0.083	1,599,434
6 March 2024	\$0.085	334,600
26 February 2024	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000

	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.060	2,000,000
	\$0.059	5,500
16 February 2024	\$0.070	1,468,089
14 February 2024	\$0.059	900,000
	\$0.059	900,000
	\$0.059	149,601
	\$0.059	117,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
	\$0.059	900,000
13 February 2024	\$0.059	1,000,000
	\$0.059	1,000,000
	\$0.059	1,000,000
	\$0.059	883,000
	\$0.059	1,000,000
	\$0.059	1,000,000
12 February 2024	\$0.061	750,000
	\$0.060	750,000
2 February 2024	\$0.062	100,000
	\$0.062	250,000
	\$0.062	100,000

1 February 2024	\$0.060	50,000
	\$0.060	21,311
	\$0.061	114,211
	\$0.062	502,571
	\$0.063	500,000

- (c) **No Escalation Agreements:** Neither PRM nor its Associates has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.
- (d) **No Collateral Benefits:** During the 4 months before the date of the Announcement, neither PRM nor its Associates gave, 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:
- (i) accept the Offer; or
 - (ii) dispose of SRX Shares,
- and which is not offered to all SRX Shareholders under the Offer.

6. Bidder's intentions

This Section 6 sets out the intentions of PRM on the basis of the facts and information concerning SRX and the existing circumstances affecting the business of SRX which are known to PRM at the time of preparation of this Bidder's Statement, in relation to the following:

- (a) the continuation of the business of SRX;
- (b) any major changes to be made to the business of SRX, including any redeployment of fixed assets of SRX; and
- (c) the future employment of the present employees of SRX.

Given that PRM has not had the benefit of a due diligence investigation into SRX, PRM does not currently have full knowledge of all material information, facts and circumstances that are necessary to assess the operational, commercial, tax and financial implications of its current intentions.

PRM will only reach final decisions regarding these matters in light of material facts and circumstances at the relevant time. Accordingly, the statements set out in this Section 6 are statements of current intentions only which may vary as new information becomes available or circumstances change.

6.1 Present intentions

PRM and its advisors have reviewed information that has been publicly released by SRX regarding its current activities and its plans for the future. However, PRM does not currently have knowledge of material information, facts and circumstances that are necessary to assess the operational, commercial, taxation and financial implications of its current intentions. Consequently, final decisions on these matters have not been made.

As such, statements set out in this Section 6 are statements of current intentions only which may change as new information becomes available or circumstances change. The statements in this Section 6 should be read in this context.

6.2 Intentions generally

Except for the changes and intentions set out in this Section 6, PRM intends:

- (a) to continue on the business of SRX;
- (b) not to make any major changes to the business of SRX; and
- (c) ~~not to make any changes to~~ to review the future employment terms of the present SRX employees.

6.3 Intentions if 50% or less of SRX is acquired

Unless otherwise indicated in Section 6, if PRM acquires 50% or less of SRX Shares, PRM ~~intends to change the SRX Board by removing each of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing~~ seek sufficient representation on the SRX Board such that the number of PRM directors will be approximately proportionate to PRM's holding of SRX Shares. PRM is comfortable with Theuns de Bryun and Martin Alciaturi retaining their positions as executive directors of the SRX Board and in the case of Patrick O'Connor, appreciates that he is a newly appointed director and will retain his position as a non-executive director of the SRX Board. Through this, PRM hopes to gain a more detailed understanding of the corporate structure, assets, businesses, personnel, financing, capital structure and operations of SRX. PRM would then be in a better position to evaluate, and contribute to, the performance, profitability and prospects of SRX in light of the information then available to PRM and provide input into the strategic direction of the organisation.

As at the date of this replacement Bidder's Statement PRM has issued notices on SRX pursuant to sections 203D and 249D of the Corporations Act calling for the removal of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and the appointment of and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing as directors. SRX has not yet confirmed whether it regards the notices served by PRM to be valid.

PRM may also not wish to participate in further capital raisings if it does not agree with the existing strategy of SRX, however PRM reserves its right to make such decisions at the relevant time. If PRM does not participate in further capital raisings, and SRX is unable to secure adequate underwriting for such capital raisings, PRM considers that SRX may incur significant difficulties in maintaining its operations and further development of its mining programs.

6.4 Intentions upon ownership of 50.1% or more of SRX but less than 90%

This Section 6.3 sets out PRM's current intentions if SRX becomes controlled by PRM (i.e. PRM and its related entities acquire 50.1% or more of SRX) but PRM is not entitled to proceed to compulsory acquisition in accordance with Part 6A.1 of the Corporations Act.

In that circumstance, PRM's intentions are as follows:

(a) Directors

PRM intends to change the SRX Board by removing each of Gregory John Walton Martin, Graham Noel Davidson, and Joanne Claire Palmer and replacing them with the appointment of each of Craig Dean, Wara Serry Kamal, Stephen Palmer and Zhuoying Jing ~~procure the appointment of nominees of PRM to the SRX~~

~~Board such that the number of PRM directors will be approximately proportionate to PRM's holding of SRX Shares. No decision has been made as to who these nominees would be, and their identity would depend on the relevant circumstances at the time. PRM is comfortable with Theuns de Bryun and Martin Alciaturi retaining their positions as executive directors of the SRX Board and in the case of Patrick O'Connor, appreciates that he is a newly appointed director and will retain his position as a non-executive director of the SRX Board.~~

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(b) **Review**

PRM will propose, through its nominees on the SRX Board, that a review of SRX, of the type referred to in Section 6.4(d) below, be undertaken with the aim of pursuing, to the maximum extent possible and appropriate, the types of strategies and intentions, as described in Section 6.4(d), which might have been pursued if PRM had acquired 100% of SRX.

(c) **Capital structure**

PRM intends that a review of SRX's capital structure would be undertaken as part of the operational review discussed at Section 6.4(d). That review will consider SRX's need to retain sufficient funds to meet its ongoing activities and requirements for additional capital, as well as whether SRX's capital structure is efficient and maximises shareholder value.

(d) **Listing on ASX**

PRM will consider the removal of SRX from the official list of ASX. Such consideration will have regard to, among other things, PRM's interest and Voting Power in SRX, the spread and volume of SRX Shareholders at the end of the Offer Period, and whether all of the requirements necessary to delist SRX can be satisfied. If PRM forms a view that those requirements can be satisfied, PRM will seek to procure the removal of SRX from the official list of ASX. In addition, ASX may suspend and ultimately delist a company which does not meet the spread requirements. Should ASX seek to do this, PRM does not currently intend to oppose such a delisting of SRX. If SRX is delisted, PRM may also seek to change the status of SRX from a public company limited by shares to a proprietary company limited by shares.

(e) **Further acquisitions of SRX Shares**

PRM may acquire additional SRX Shares under the "creep" provisions of the Corporations Act. In summary, those provisions would permit PRM and its Associates to acquire up to 3% of SRX Shares every 6 months. PRM has not yet decided whether it will acquire further SRX Shares under the "creep" provisions in the future, as that will be dependent upon (among other things) the extent of Voting Power of PRM and its Associates in SRX and market conditions at the time.

If PRM becomes entitled to give notices to compulsorily acquire any outstanding SRX Shares in accordance with section 664C of the Corporations Act (general compulsory acquisition power) as a result of acquisitions of additional SRX Shares, PRM intends to give such notices.

(f) Limitations on intentions

The implementation of PRM's intentions in the event of less than 100% ownership of SRX will be subject to the Corporations Act, the Listing Rules and the SRX constitution, and to the obligations of the SRX Directors to act in the best interests of SRX and all SRX Shareholders.

In particular, if PRM obtains control (but not 100%) of SRX, the "related party" provisions of Chapter 2E of the Corporations Act (and the Listing Rules) will apply.

PRM would only make a decision on its courses of action in these circumstances after it receives appropriate legal and financial advice on such matters, including in relation to any requirements for SRX Shareholder approval.

6.5 Intentions upon becoming able to compulsorily acquire SRX Shares

This Section sets out PRM's current intentions if it and its Associates have a Relevant Interest in 90% or more of all SRX Shares and are entitled to proceed to compulsory acquisition of the outstanding SRX Shares on issue.

(a) Compulsory acquisition

If it becomes entitled to do so under the Corporations Act, PRM will:

- (i) give notices to compulsorily acquire any outstanding SRX Shares in accordance with section 661B of the Corporations Act (compulsory acquisition power following takeover bid), including any SRX Shares which are issued as a result of the vesting and exercise of SRX Performance Rights after the end of the Offer Period and in the 6 weeks after PRM gives the compulsory acquisition notices; and
- (ii) if necessary, give notices to compulsorily acquire any outstanding SRX Shares in accordance with section 664C of the Corporations Act (general compulsory acquisition power).

If it is required to do so under section 662A and section 663A of the Corporations Act, PRM intends to give notices to SRX Shareholders offering to acquire their SRX Shares, in accordance with section 662B and section 663C of the Corporations Act.

(b) Directors

PRM intends to reconstitute the SRX Board with nominees of PRM. These nominees have not yet been identified by PRM. A final decision on the selection of PRM's nominees will be made in light of the circumstances at the relevant time.

(c) Listing on ASX

Upon acquiring ownership of 100% of SRX, PRM will seek to have SRX removed from the official list of ASX. PRM may also seek to change the status of SRX from a public company limited by shares to a proprietary company limited by shares.

(d) Operational review

Following the close of the Offer, if PRM is entitled to acquire 100% control of SRX, PRM intends to conduct a review of the operations, assets, structure and employees of SRX in light of that information to identify:

- (i) business opportunities and areas of revenue generation which

may provide overall strategic operational benefit;

- (ii) areas of costs saving which may provide overall strategic and operational benefit; and
- (iii) any business or businesses which do not fit into the strategic plan for SRX and to evaluate the best and most appropriate way of organising such business or businesses.

Final decisions will only be reached after that review and in light of all material facts and circumstances.

While PRM does not currently have any specific intentions in relation to this review or its outcomes, its current expectation is that the review will focus on identifying the most effective means of utilising SRX's assets and maximising the investment PRM has made in SRX.

(e) **Employees**

PRM believes that SRX's management and employees, having built SRX up to the company it is today, have appropriate skills and experience. PRM would review the future employment of the present employees of SRX after the close of the Offer, having regard to its plans for SRX and upon completing the review referred to above at Section 6.4(d).

PRM notes that on 11 March 2024 SRX announced that it will issue 25% of its staff with redundancy notices by the end of March 2024. Therefore, as at the date of this replacement Bidder's Statement it is unclear as to how many employees SRX will have following March 2024 and who those employees will be.

That said, it is the current intention of PRM to keep all employees that are necessary for the company's operations. PRM intends to optimise the cost structure of SRX and not make any material changes that are not required to ensure the longevity of the SRX.

6.6 Limitations on intentions

The intentions and statements of future conduct set out in this Section 6 must be read as being subject to:

- (a) the law (including the Corporations Act) and the Listing Rules, including, in particular, the requirements of the Corporations Act and the Listing Rules in relation to conflicts of interest and "related party" transactions given that, if PRM obtains control of SRX but does not acquire all of the SRX Shares, it will be treated as a related party of SRX for these purposes;
- (b) the legal obligation of the SRX Directors at the time, including any nominees of PRM, to act in good faith, in the best interest of SRX and for the proper purposes and to have regard to the interests of SRX Shareholders; and
- (c) the outcome of reviews referred to in Sections 6.2, 6.3(b) and 6.4(d).

Accordingly, this Section 6 must be read and understood on this basis.

7. Funding of cash consideration

7.1 Consideration under the Offer

The consideration for the acquisition of SRX Shares to which the Offer relates will be satisfied by the payment of cash (in Australian dollars).

Based on the number of SRX Shares, SRX Performance Rights and SRX Restricted Rights on issue as at the date of the Announcement, and noting that PRM already has 48,627,357 SRX Shares as at the date of the Announcement, the maximum amount of cash consideration that would be payable by PRM under the Offer if all SRX Performance Rights were exercised and acceptances were received for all SRX Shares which PRM or its Associates do not already own, is approximately A\$35,682,863.55, not including transaction costs.

7.2 Overview of PRM funding arrangements

PRM will fund the maximum cash consideration including associated transaction costs under the Offer (**Aggregate Amount**) from existing cash reserves held by PRM.

PRM has available to it (through its own accounts and those of Craig Dean) cash reserves deposited in US banks regulated by the Federal Deposit Insurance Corporation (FDIC), of approximately \$40 million which will enable it to pay cash consideration including any relevant transaction cost pursuant to the Offer.

The funds committed for this purpose are not required for any other arrangements or obligations.

To the extent that Craig Dean advances funding to PRM in relation to the Offer, these funds will be advanced either by way of equity or debt to PRM on terms typical for an advance of funding by a director and majority shareholder to a private company that they control. There is no impediments to Craig Dean advancing any funding required to PRM in connection with the Offer.

7.3 Payment of cash consideration

Having regard to the matters set out above, PRM is of the opinion that it has a reasonable basis for forming, and it holds, the view that it will be able to pay cash consideration including any relevant transaction cost pursuant to the Offer. The Offer is not subject to any financing conditions.

8. Taxation information

The following is a general description of Australian income and capital gains tax consequences for SRX Shareholders of the acceptance of the Offer and does not take into account the specific circumstances of any particular SRX Shareholder. It does not constitute tax advice and should not be relied upon as such. All SRX Shareholders should seek independent professional advice on the consequences of their disposal of SRX Shares, based on their particular circumstances.

The outline reflects the current provisions of the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth) (collectively, **the ITAA**) and the regulations made under those Acts. The outline does not otherwise take into account or anticipate any changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation from countries apart from Australia.

The comments below are not exhaustive of all possible Australian tax considerations that could apply to SRX Shareholders. In particular, the comments are relevant to those SRX Shareholders who are individuals, complying superannuation entities and companies that hold their investments on capital account. The tax treatment for SRX Shareholders who may hold their investments on revenue account, such as banks and other trading entities, has not been addressed. In addition, these comments do not take into account the

circumstances of SRX Shareholders who acquired their SRX Shares in respect of their, or an Associate's, employment with SRX or any member of the SRX group.

For SRX Shareholders who are non-residents of Australia for tax purposes, it is assumed that the SRX Shares are not held, and never have been held or used at any time, as an asset in carrying on a business through a permanent establishment of that SRX Shareholder in Australia. It is further noted that these comments do not address the position for SRX Shareholders who are partnerships, tax exempt organisations, temporary residents, have a functional currency for Australian tax purposes other than an Australian functional currency, who are subject to the taxation of financial arrangements rules in Division 230 of the ITAA in relation to gains and losses on their SRX Shares, or are subject to the Investment Manager Regime under Subdivision 842-1 of the ITAA in respect of their SRX Shares.

8.1 Australian resident SRX Shareholders

The acceptance of the Offer in respect of a SRX Share will result in a disposal for CGT purposes of that SRX Share by the relevant SRX Shareholder. The disposal will trigger CGT Event A1. An Australian resident SRX Shareholder should make a capital gain at the time of that CGT Event if the capital proceeds received on disposal exceed the cost base of the SRX Share. An Australian resident SRX Shareholder should make a capital loss at the time of that CGT Event if the capital proceeds received on disposal are less than the reduced cost base of the SRX Share.

In broad terms, the capital proceeds should include the Offer Price (being A\$[insert price] per SRX Share) a SRX Shareholder receives by accepting the Offer.

The cost base and reduced cost base (in the case of a capital loss) of a SRX Share is generally the amount the Australian resident SRX Shareholder paid for the SRX Share (including incidental costs of acquisition and disposal). In some cases, there may be financing costs of ownership that will form part of the cost base of the SRX Share.

However, if a SRX Share was acquired (for CGT purposes) at or before 11:45 am on 21 September 1999, the cost base may be indexed for inflation, by reference to changes in the Consumer Price Index from the calendar quarter in which the SRX Share was acquired (for CGT purposes) until the calendar quarter ended 30 September 1999. SRX Shareholders who are individuals, complying superannuation entities or trustees of a trust must make an election if they wish to rely on indexation. Companies will be entitled to include the indexation without making an election. Indexation adjustments are taken into account only for the purposes of calculating a capital gain, and not a capital loss. Whether it is better for any given

SRX Shareholder to make the indexation election or not will depend upon the particular SRX Shareholder's individual circumstances. Further, the CGT discount rules (see below) are not available for capital gains made on a SRX Share where indexation applies to the relevant SRX Share. SRX Shareholders should consult their own tax advisers in this regard.

If a SRX Share was acquired (for CGT purposes) after 11:45 am on 21 September 1999, the capital gain or loss is generally calculated on the difference between the capital proceeds and cost base for the SRX Share, with no indexation.

The taxable amount of any capital gain may be reduced if the CGT discount applies. If an Australian resident SRX Shareholder is an individual, a complying superannuation entity or a trustee, the amount of the Australian resident SRX Shareholder's capital gain may be reduced by the relevant CGT discount. If an Australian resident SRX Shareholder who is an individual or trustee applies the CGT discount method, the shareholder's taxable capital gain (after offsetting any current year capital losses or carry forward net capital losses from previous income years) will be reduced by one half (or one third if the Australian resident SRX Shareholder is a complying superannuation entity). The CGT discount rules are not available for capital gains made on a SRX Share where indexation applies to the relevant SRX Share.

The CGT discount is not available to an Australian resident SRX Shareholder that is an individual, a complying superannuation entity, or a trustee where the disposal occurs in the first 12 months after the acquisition (for CGT purposes) of the relevant SRX Share. That is, the SRX Share must have been held for at least 12 months (for CGT purposes) prior to accepting the Offer for the CGT discount to be available for that SRX Share. If the Australian resident SRX Shareholder is a company, the CGT discount is not available at any time.

The above comments do not apply to SRX Shareholders who buy and sell shares in the ordinary course of business, or those who acquired the shares for resale at a profit. In those cases, any gain will generally be taxed as ordinary income. All SRX Shareholders should seek their own advice.

8.2 Non-resident SRX Shareholders

A SRX Shareholder who is not a resident of Australia for tax purposes and who has never used their shares at any time in carrying on a business through a permanent establishment in Australia will generally not have to pay Australian tax on any capital gain made when disposing of SRX Shares unless the shares in SRX are 'indirect Australian real property interests'. SRX Shares will be 'indirect Australian real property interests' where both of the following requirements are satisfied:

- (a) the interest held in SRX is a "non-portfolio" interest; and
- (b) the SRX Shares pass the "principal asset test" at the time of disposal.

If either of these elements is absent, any capital gain made on the disposal of the SRX Shares should not be subject to income tax in Australia.

A non-resident SRX Shareholder will hold a "non-portfolio interest" in SRX if (together with Associates) they own (at the time of the disposal for CGT purposes), or owned, throughout a 12 month period during the 2 years preceding the sale (for CGT purposes) of their SRX Shares, 10% or more of all of the shares in SRX.

The SRX Shares would pass the "principal asset test" if the market value of SRX's direct and indirect interests in Australian real property (including leases of land, if the land is situated in Australia, and Australian mining, quarrying or prospecting rights) is more than the market value of its other assets at the time a non-resident SRX Shareholder accepts the Offer.

Detailed calculations are required to determine the results of the "principal asset test" and to determine the amount of Australian tax that is payable (to the extent tax is payable).

If a non-resident SRX Shareholder buys and sells shares in the ordinary course of business, or acquired the shares for resale at a profit, any gain could be taxed in Australia as ordinary income and not as a capital gain. Again, non-resident SRX Shareholders should seek their own advice.

Non-resident SRX Shareholders should seek advice from their taxation advisor as to the taxation implications of accepting the Offer in their country of residence (as well as any Australian taxation implications).

8.3 Foreign resident capital gains withholding

Broadly, under the 'foreign resident capital gains withholding' (**FRCGTW**) regime, a purchaser of shares may have an obligation to withhold and pay to the Australian Taxation Office an amount equal to 12.5% of the purchase price for each share under section 14-200 of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**TAA**).

PRM does not expect to withhold any amount from the Offer Price on account of FRCGTW on the basis that the acquisition of each SRX Share will occur through acceptance of the

Offer which will result in the acquisition occurring on an approved stock exchange (being, the ASX). The acquisition should therefore be an 'excluded transaction' for the purposes of the FRCGTW regime.

8.4 Stamp duty

No stamp duty will be payable by SRX Shareholders in respect of a transfer of their SRX Shares under the Offer. PRM will pay the stamp duty (if any) payable in Australia on the transfer of SRX Shares under the Offer.

8.5 Goods & Services Tax

No GST will be payable by SRX Shareholders in respect of a transfer of their SRX Shares under the Offer.

9. Other material information

9.1 Consents

PRM has given, and has not before the date of this Bidder's Statement withdrawn, its written consent:

- (a) to be named in this Bidder's Statement in the form and context in which it is named; and
- (b) to statements made by it in the Bidder's Statement, or statements said in the Bidder's Statement to be based on statements by it, in the form and context in which those statements are included in the Bidder's Statement.

Gadens Lawyers has given, and has not before the date of this Bidder's Statement withdrawn, its written consent to be named in this Bidder's Statement as legal adviser to PRM in respect of the Offer.

Canaccord, as Broker have given, and have not before the date of this Bidder's Statement withdrawn, their written consent to be named as a Broker in this Bidder's Statement in respect of the Offer.

Each person named in this Section 9.1 as having given its consent to the inclusion of a statement or being named in this Bidder's Statement:

- (a) 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 other than, in the case of a person referred to above as having given their consent to the inclusion of a statement included in this Bidder's Statement with the consent of that person; and
- (b) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Bidder's Statement, other than a reference to its name and, in the case of a person referred to above as having given their consent to the inclusion of a statement, any statement which has been included in this Bidder's Statement with the consent of that party.

9.2 Announcement of Offer

The text of the Announcement of the Offer, which was announced by ASX on 20 March 2024, is set out in the Annexure.

9.3 No other material information

Except as set out in this Bidder's Statement, there is no other information that is material to the making of the decision by a holder of SRX Shares whether or not to accept the Offer which is known to PRM and has not previously been disclosed to SRX Shareholders.

9.4 ASIC modifications

PRM has not obtained from ASIC any modifications to, nor exemptions from, the Corporations Act in relation to the Offer. However, ASIC has published various instruments providing modifications and exemptions that apply generally to all persons, including PRM, and on which PRM may rely.

This Bidder's Statement 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. PRM will make available a copy of these documents (or of relevant extracts from these documents) free of charge to SRX Shareholders who request it during the Offer Period.

If you would like to obtain a copy of these documents (or the relevant extracts), please contact please contact Dann Vu (Head of Company Administration) on +1 (203) 767-0273 on Business Days.

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

- (a) which fairly represent what purports to be a statement by an official person;
- (b) which are a correct and fair copy of, or extract from, what purports to be a public official document; or
- (c) which are a correct and fair copy of, or extract from, a statement which has already been published in a book, journal or comparable publication.

In addition, as permitted by Corporations Instrument 2016/72, this Bidder's Statement contains security price trading data sourced from Factset.

9.5 On-market acquisitions by PRM

Subject to the requirements of the Corporations Act, PRM may acquire SRX Shares on market at prices at or below the Offer Price during normal trading on the ASX.

Any such purchases by PRM will be disclosed to the ASX in substantial shareholder notices which PRM is required to lodge under the Corporations Act.

SRX Shareholders who sell their SRX Shares on the ASX will receive payment from their Broker. Settlement of trades on the ASX is on a T+2 basis.

SRX Shareholders who sell SRX Shares on the ASX cannot subsequently accept the Offer in respect of their SRX Shares sold on the ASX. In addition, SRX Shareholders who sell SRX Shares on the ASX may incur brokerage charges which they may not incur if they accept the Offer.

10. The Offer

10.1 General Terms

- (a) As announced to ASX by Canaccord in the Announcement, PRM is making an Offer under an on-market takeover bid to acquire all SRX Shares which exist (or will exist) and are listed for quotation on ASX at any time during the Offer Period.
- (b) PRM offers to acquire all of your SRX Shares on the terms and conditions set out in this Bidder's Statement.
- (c) The consideration offered for each of your SRX Shares is A\$0.095 in cash. In accordance with the Corporations Act, PRM may vary the Offer Price at any time except during the final 5 Trading Days of the Offer Period.
- (d) You can sell your SRX Shares from 10:00 am (Melbourne time) on the Announcement Date of 20 March 2024. Canaccord will acquire in the market on behalf of PRM all SRX Shares offered at the Offer Price.
- (e) The Offer is not subject to any conditions.

10.2 Offer Period

Unless withdrawn, this Offer will remain open for acceptance during the period commencing on the date of this Offer, being 4 April 2024, and ending at 4.00 pm (Melbourne time) on the later of 5 May 2024 and any date to which the Offer Period is extended in accordance with the Corporations Act. PRM expressly reserves its rights to extend the Offer Period in accordance with the Corporations Act.

Notwithstanding the commencement of the formal Offer Period noted above, Canaccord will acquire in the market on behalf of PRM all SRX Shares offered at the Offer Price from 10:00 am (Melbourne time) on the Announcement Date of 20 March 2024, so you can sell your SRX Shares at the Offer Price immediately.

10.3 Extension of Offer Period

The Offer Period will be automatically extended by law if PRM's Voting Power in SRX increases to more than 50% during the last 7 days of the Offer Period. In this case, the Offer Period will end on the 14th day after PRM's Voting Power in SRX increases to more than 50%.

10.4 Payment by PRM

In accordance with the usual rules for settlement of transactions which occur on-market on ASX, if you sell your SRX Shares in accordance with Section 2, you will be paid on a T+2 basis (being 2 Trading Days after your acceptance).

10.5 Withdrawal of Offer

PRM may withdraw the Offer in respect of unaccepted Offers at any time:

- (a) with the written consent of ASIC and subject to the conditions (if any) specified in such consent; or
- (b) where a Prescribed Occurrence occurs, if at the time of the Prescribed Occurrence PRM's Voting Power in SRX is at or below 50%; or
- (c) where SRX experiences an Insolvency Event.

Notice of withdrawal of the Offer must be given by PRM to ASX.

10.6 Variation

PRM may vary this Offer in accordance with the Corporations Act. If you have sold your SRX Shares prior to any such announcement you will not receive any benefit from the variation.

10.7 Brokerage, stamp duty and other costs

If your SRX Shares are registered in an Issuer Sponsored Holding in your name, the relevant Broker you instruct to initiate acceptance on your behalf may charge transactional fees or service charges in connection with acceptance of the Offer.

If your SRX Shares are registered in a CHESS Holding or if you are a beneficial holder and your SRX Shares are registered in the name of a Broker, bank, custodian or other nominee (i.e. the Controlling Participant), the Controlling Participant may charge transactional fees or service charges in connection with acceptance of the Offer.

Accordingly, you should ask your Broker or Controlling Participant (as applicable) in relation to brokerage which may be charged in connection with your acceptance of the Offer.

All costs and expenses of the preparation, dispatch and circulation of this Offer and all stamp duty payable (if any) on the transfer of your SRX Shares in respect of which the Offer is accepted will be paid by PRM.

10.8 Notice and return of documents

Subject to the Corporations Act, a notice or other communication given by PRM to you in connection with the Offer will be deemed to be duly given if it is in writing and is signed or purports to be signed on behalf of PRM by any director of PRM and:

- (a) is delivered at your address as recorded in the register of SRX Shareholders; or
- (b) is sent by prepaid ordinary post, or in the case of any address outside Australia, by prepaid airmail, to you at your address as recorded in the register of SRX Shareholders.

A notice to be given to PRM by you in connection with the Offer will be deemed to be duly given to PRM if it is in writing and is delivered or sent by post to PRM (or other means provided for in this Bidder's Statement) to the following address:

PRM Services LLC
1095 Wilson Street
Level PT
San Juan PR 00907

Attention: Dann Vu

notices@prmsvcs.com

10.9 Governing Law

This Offer and any contract that results from your acceptance of this Offer are governed by the laws in force in Victoria.

11. Definitions and Interpretation

11.1 Definitions

In this Bidder's Statement (including the Annexures), unless the context otherwise requires:

Announcement	the announcement of the Offer set out in the Annexure.
Announcement Date	20 March 20224.
ASIC	the Australian Securities and Investments Commission.
Associate	has the meaning given in section 12 of the Corporations Act.
ASX	ASX Limited ACN 008 624 691 or, as the context requires, the financial market operated by it.
ASX Settlement	ASX Settlement Pty Ltd ACN 008 504 532.
ASX Settlement Operating Rules	the operating rules of ASX Settlement, as amended from time to time.
Bidder's Statement	this bidder's statement, being the statement of the bidder, PRM, under Part 6.5 Division 2 of the Corporations Act relating to the Offer.
Broker	a person who is a share broker and a participant in CHES.
Canaccord	Canaccord Genuity (Australia) Limited (ACN 075 071 466) and AFSL 234666
CGT	capital gains tax.
CHES	Clearing House Electronic Sub-register System which provides for electronic transfer, settlement and registration of securities in Australia.
CHES Holding	has the meaning given to it in the ASX Settlement Operating Rules.
Controlling Participant	the person who is designated as the controlling participant for shares in a CHES Holding in accordance with the ASX Settlement Operating Rules.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
EBITDA	earnings before interest, tax, depreciation and amortisation.

GST	goods and services tax, imposed under the <i>A New Tax System (Goods and Services Tax) Act 1999</i> (Cth) and the related imposition acts of the Commonwealth of Australia.
Insolvency Event	<p>means any of the events set out in section 652C(2) of the Corporations Act, being:</p> <ul style="list-style-type: none"> • a liquidator or provisional liquidator of SRX or a subsidiary being appointed; • a court makes an order for the winding up of SRX or of a subsidiary; • an administrator of SRX, or of a subsidiary, is appointed under section 436A, 436B or 436C of the Corporations Act; • SRX or a subsidiary executes a deed of company arrangement; or <p>a receiver, or a receiver and manager, is appointed in relation to the whole, or a substantial part, of the property of SRX or a subsidiary.</p>
Issuer Sponsored Holding	a holding of SRX Shares on SRX's issuer sponsored sub-register.
Listing Rules	the official listing rules of ASX, as amended from time to time.
Market Participant	has the meaning given to it in the ASX Settlement Operating Rules.
Melbourne time	the time observed in Melbourne, Victoria.
Offer	the Offer by PRM to acquire SRX Shares on the terms set out in Section 10 and pursuant to this Bidder's Statement.
Offer Information Line	means Dann Vu (Head of Company Administration) on +1 (203) 767-0273, who can be reached between 9:00 am to 5:00 pm (GMT -4) on Business Days.
Offer Period	the period commencing on 4 April 2024 and ending at 4.00 pm (Melbourne time) on 5 May 2024, or such later date to which the Offer has been extended.
Offer Price	A\$0.095 per SRX Share.
Prescribed Occurrence	<p>means the occurrence of any of the following events set out in section 652C(1) of the Corporations Act being:</p> <ul style="list-style-type: none"> • SRX converting all or any of the SRX Shares into larger or smaller numbers of shares under section 254H of the Corporations Act; • SRX or any of its subsidiaries resolving to reduce its share capital in any way; • SRX or any of its subsidiaries entering into a buy-back agreement or resolving to approve the terms of a buy-back agreement under section 257C(1) or 257D(1) of the Corporations Act; • SRX or any of its subsidiaries issuing shares, or granting an

option over its shares, or agreeing to make such an issue or grant such an option;

- SRX or any of its subsidiaries issuing, or agreeing to issue, convertible notes;
- SRX or any of its subsidiaries disposing or agreeing to dispose of the whole, or a substantial part, of its business or property;
- SRX 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; and
- SRX or any of its subsidiaries resolving to be wound up.

PRM	PRM Services LLC (registration number 387071)
Relevant Interest	has the meaning given to it in section 9 of the Corporations Act.
Rights	all accretions to and rights attaching to the relevant SRX Shares at or after the date of this Bidder's Statement (including, but not limited to, all dividends and all rights to receive dividends and to receive and subscribe for shares, stock units, notes or options declared, paid or issued by SRX).
SRX	Sierra Rutile Holdings Ltd (ASX:SRX).
SRX Board or SRX Directors	means the board of directors of SRX.
SRX Performance Right	a performance right to be issued, upon the satisfaction of certain conditions, a SRX Share.
SRX Restricted Right	a fully paid ordinary share in SRX, and all Rights attaching to that share.
SRX Share	a fully paid ordinary share in SRX, and all Rights attaching to that share.
SRX Shareholder	a holder of SRX Shares who is able to accept the Offer.
Target's Statement	the target's statement to be issued by SRX in response to this Bidder's Statement in accordance with the Corporations Act.
Trading Days	has the meaning given to it in the Listing Rules.
Voting Power	has the meaning given to it in section 610 of the Corporations Act.
VWAP	volume weighted average price.

11.2 Interpretation

Words and phrases used in this Bidder's Statement have the same meaning (if any) as given to them by the Corporations Act, the Listing Rules or the ASX Settlement Operating Rules unless that meaning is inconsistent with the context in which the term is used.

In this Bidder's Statement (including the Offer), the following principles of interpretation apply

unless the context otherwise requires:

- (a) Words importing one gender include other genders.
- (b) Words (including defined terms) importing the plural include the singular and vice versa.
- (c) A reference to a person includes a reference to a corporation.
- (d) Headings are for convenience only and do not affect the interpretation of this Bidder's Statement.
- (e) Reference to Sections and Appendices are to Sections and Appendices of this Bidder's Statement and Appendices to this Bidder's Statement form part of this Bidder's Statement.
- (f) All references to time in this Bidder's Statement are to Perth, Western Australia, time unless expressly specified otherwise.
- ~~(g)~~ References to "Australian dollars", "AUD", "\$", "dollar" "A\$", or cents are references to Australian currency unless expressly specified otherwise.
- ~~(g)(h)~~ A reference to "this Bidder's Statement", "the date of this Bidder's Statement" or similar expressions are references to this replacement Bidder's Statement.

12. Approval of Bidder's Statement

The copy of this Bidder's Statement to be lodged with ASIC has been approved by a resolution of the sole director of PRM.

Dated: 26~~20~~ March 2024

Signed on behalf of PRM Services LLC



Craig Dean
Director and CEO, PRM Services LLC

Annexure Announcement to ASX of the Offer



For immediate release to market

20 March 2024

ASX Market Announcements Office
ASX Limited
Exchange Centre, 20 Bridge Street
SYDNEY NSW 2000

ON MARKET TAKEOVER BID FOR ORDINARY SHARES OF SIERRA RUTILE HOLDINGS LIMITED

In accordance with section 5.12.1 of the *ASIC Market Integrity Rules (Securities Markets) 2017*, Canaccord Genuity (Australia) Limited (ACN 075 071 466) (the **Bidder's Broker**) announces that it will, on behalf of PRM Services LLC (Registration Number 387071) (the **Bidder**), pursuant to section 635 of the *Corporations Act 2001 (Cth) (Corporations Act)*, offer to acquire on market at a price of A\$0.095 cash per share (**Offer Price**), all of the fully paid ordinary shares (**SRX Shares**) in the capital of Sierra Rutile Holdings Limited (**SRX**) which are listed for quotation on the official list of the Australian Securities Exchange (**ASX**) that exist or will exist during the Offer Period (as defined below) (**Offer**) which the Bidder (or its associates) does not already own or control.

From the date and time of this announcement and ending at the close of trading on the ASX on 5 May 2024 (unless the Offer is withdrawn or extended in accordance with the Corporations Act), the Bidder's Broker (on behalf of the Bidder) will accept at the Offer Price every SRX Share offered to the Bidder's Broker on market up to a maximum of 375,609,090 Shares (being all the SRX Shares on issue at the date of this announcement, excluding those held by the Bidder and its associates) together with any additional SRX Shares which are issued during the Offer Period.

Terms of the Offer

Given that the offer is an on market bid, it is unconditional and the consideration will be paid by way of cash.

The key features of the Offer are:

- it is an on market unconditional offer of A\$0.095 cash per SRX Share;
- the Bidder's Broker will purchase SRX Shares offered to it on market from today at the Offer Price until the conclusion of the Offer Period; and
- the Offer Period may be extended and the Offer Price may be increased or the Offer withdrawn in accordance with the Corporations Act.

Acquisition from Announcement

The Bidder has appointed the Bidder's Broker to purchase all SRX Shares that exist or will exist from today until the conclusion of the Offer Period which are not already owned or controlled by the Bidder or its associates, on its behalf, on market during the official trading days (**Trading Days**) of ASX. The Bidder's Broker has been instructed to purchase, at the Offer Price, every SRX Share offered for sale during the Trading Days in the period from the date of this announcement until the end of the Offer Period.

Settlement and brokerage

Payment for SRX Shares sold to the Bidder under the Offer will be made on a T+2 settlement basis in accordance with the usual ASX Settlement Operating Rules for ASX trading.

As the Offer will only be capable of acceptance by holders of SRX Shares (**Shareholders**) selling through brokers which are participating organisations of ASX, all SRX Shares to be purchased by the Bidder will be purchased on market only during Trading Days.

Any brokerage charged by brokers acting for Shareholders wishing to sell their SRX Shares will be the sole responsibility of those Shareholders.

Offer Period

The Bidder's Broker will stand in the market on behalf of the Bidder and accept SRX Shares offered to it at the Offer Price from the date of this announcement and before the commencement of the Offer Period. However, the Offer will officially be made during the period commencing 10:00am (Melbourne time) on 4 April 2024 and ending on 4:00pm (Melbourne time) on 5 May 2024 unless extended by the Bidder pursuant to the Corporations Act (**Offer Period**).

The Bidder reserves the right to withdraw unaccepted Offers in the circumstances permitted by, and in accordance with, Part 6.7 of the Corporations Act, at any time before the end of the Offer Period.

Bidder's Statement

In accordance with section 635 of the Corporations Act, a Bidder's Statement will today be served on SRX and lodged with each of the ASX and Australian Securities and Investments Commission. A copy of the Bidder's Statement will also be sent to SRX Shareholders prior to commencement of the Offer Period.

The SRX Shares

The SRX Shares which are subject of the Offer are all fully paid ordinary shares in the capital of SRX which the Bidder and its associates do not already have a relevant interest in at the date of the Bidder's Statement or such other shares which are issued during the Offer Period.


Immediately before the making of this announcement:

- in so far as the Bidder is aware, there are 424,236,447 SRX Shares on issue, all of which are quoted on ASX;
- the Bidder has a relevant interest in 48,627,357 SRX Shares on issue, which represents 11.46% of all SRX Shares on issue; and
- the Bidder has voting power in 11.46% of all SRX Shares on issue.

Signed on behalf of **Canaccord Genuity (Australia) Limited**



Duncan St John
Co-Head of Investment Banking



Jeremy Dunlop
Co-Head of Investment Banking

Corporate Directory

PRM

1095 Wilson Street
Level PT, San Juan 00907
PUERTO RICO

Broker to the Offer

Canaccord Genuity
Level 42
101 Collins Street
Melbourne VIC 3000
AUSTRALIA

Legal Adviser

Gadens Lawyers
Level 13, Collins Arch
447 Collins Street
Melbourne VIC 3000
AUSTRALIA