Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP26/049

Wednesday, 29 July 2026

Zenith Minerals Limited 02 – Panel Receives Application

The Panel has received an application from Ida Metal Investments Pty Ltd in relation to the affairs of Zenith Minerals Limited (**Zenith**). Zenith is currently the subject of a recommended off-market takeover bid by Forrestania Resources Limited (**Forrestania**).

The applicant is a substantial shareholder in Zenith. Details of the application, as submitted by the applicant, are below.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

Details

Zenith is an Australian gold and lithium exploration and development company listed on ASX (ASX: ZNC).

Forrestania is a Western Australian focused gold exploration and development company listed on ASX (ASX: FRS).

In November 2025, the applicant acquired 60,000,000 Zenith shares. The relevant subscription agreement restrained the applicant, amongst other things, from acquiring further Zenith shares until 29 June 2026. Exceptions applied if certain events occurred, including announcement of a takeover bid for Zenith.

Between 31 March and 8 June 2026, Forrestania acquired 55,753,800 Zenith shares (approximately 9%).

On 9 June 2026, Zenith and Forrestania announced a recommended bid for Zenith comprising scrip consideration of 1 Forrestania share for every 4.3 Zenith shares.

The Takeover Implementation Deed (**TID**) released with the announcement referenced a 'confidentiality deed' dated 31 March 2026 and a 'process deed' dated 26 May 2026 entered into between Forrestania and Zenith which were stated to contain standstill provisions. Clause 11(a) of the TID stated that, as at that date of the TID, Zenith had agreed to a waiver of the standstill.

Between 16 June 2026 (when offers under the bid opened) and 29 June 2026, Forrestania's voting power in Zenith increased from 9.72% to 21.40%.

On 29 June 2026, Forrestania announced the acquisition of the Edna May Mine from Ramelius Resources Limited for $300 million, comprising cash of $200 million and Forrestania shares of $100 million (later revised to $210 million cash and $90 million scrip). Concurrent with the acquisition, Forrestania announced an equity placement of $310 million via a two-tranche placement at an issue price of $0.40 per share – materially lower than the 10-day Volume Weighted Average Price of ~$0.567 which was the basis for an implied offer value of $0.132 per Zenith share referenced in the bidder's and target's statements. Forrestania contemporaneously lodged an Appendix 3B proposing to issue 1,025,575,000 shares, an increase of 77% of the number of Forrestania shares on issue from the time the Zenith takeover was announced.

The applicant submits that the Edna May acquisition is "*a transformative transaction that materially altered Forrestania's capital structure, funding requirements and risk profile, and correspondingly the value of the scrip consideration offered to Zenith shareholders*" and that at "*the time of the offer to Zenith shareholders it is apparent that Forrestania was engaged in parallel discussions with financiers and investors about funding the Edna May acquisition. This was material information a holder of Zenith shares would need to know, and its timing proximity to the Bidder's and Target's Statements - without disclosure or reference in either - constitutes information that ought to have been known and disclosed at the time those statements were issued.*"

The applicant further submits that the Zenith board's response since the Edna May acquisition of reaffirming its recommendation, without obtaining an independent expert's report or any equivalent objective assessment of the changed value and risk profile of the bid consideration means that "*shareholders have been asked to continue accepting, or to decide whether to withdraw, without either an independent valuation or a clear, current, quantitative explanation from the Board of why continued acceptance remains in their interests*."

The applicant has also raised concerns that:

- Forrestania acquired approximately 9% of Zenith at a time that it was subject to a confidentiality deed giving it access to material, non-public information and binding it to a standstill – which it submits is relevant to whether the market for control of Zenith has been efficient, competitive and informed.

- It was treated 'asymmetrically' to Forrestania, despite being an existing, supportive shareholder, as during this period it remained bound by its own standstill and, in response to an offer it made in March 2026 to subscribe for additional shares in Zenith at a premium, Zenith '*did not progress the proposal or substantively engage with [the applicant] on price, timing or structure*.'

- Zenith's directors were awarded 22,000,000 Performance Rights on 23 March 2026, eight days before Zenith entered the confidentiality deed with Forrestania related to the takeover.

The applicant submits that the acquisition of control of Zenith has not, and is not, taking place in an efficient, competitive and informed market contrary to the purpose set out in s602(a) of the Corporations Act. The applicant also submits that the circumstances constitute, or give rise to, or are likely to constitute or give rise to, contraventions of Chapter 6.

The applicant notes the undertaking from Forrestania not to declare the bid free from any defeating condition without the prior consent of the Acting President or a sitting Panel (see TP26/048) and seeks interim orders in addition to prevent Forrestania from processing further acceptances under the offer.

The applicant seeks final orders to the effect that:

- all acceptances received by Forrestania on or before 29 June 2026 are voided, or alternatively, that withdrawal rights are given to any shareholder who accepted before that date

- Zenith shares acquired by Forrestania between 31 March 2026 and 8 June 2026 be vested in ASIC for disposal together with ancillary orders disregarding the exercise of rights attached to those shares pending disposal

- performance rights issued to Zenith directors on 23 March 2026 be cancelled, or disqualified from vesting or exercise

- corrective disclosure be made, and an independent expert or equivalent objective valuation of the takeover offer be obtained, before any further acceptances are processed or the offer is declared unconditional

- Zenith and Forrestania produce the confidentiality deed, the process deed and any standstill waivers or consents and

- such further or ancillary orders as the Panel considers appropriate.

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