

Material Update on Off-Market Takeover by Bastion Mining

17 June 2025

Xanadu Mines Ltd (ASX: XAM, TSX: XAM) (Xanadu or the Company) today provides an important update in relation to the off-market takeover offer by Bastion Mining Pte. Ltd. UEN 202512367N (Bastion) to acquire all the fully paid, ordinary shares in Xanadu (Offer)^{1,2,3}.

The Takeover Board Committee of Xanadu (Takeover Board Committee) notes that Zijin Mining Group (Zijin), the Company's largest shareholder⁴ and joint venture partner has accepted the Bastion Offer for all shares that it holds in Xanadu. Together with Bastion's existing direct equity interest and acceptances received as of 16 June 2025, Bastion now holds a relevant interest of 29.67% of Xanadu.

In light of Zijin's decision to accept the Offer, the Takeover Board Committee believes it is now unlikely that a superior offer from an alternative third party will be made and reiterates its recommendation that shareholders **accept the Bastion Offer** as soon as practicable (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable). **All members of the Takeover Board Committee intend to accept the Bastion Offer** in respect of all Xanadu shares which they own or control by the close of the Offer (in the absence of a superior proposal and subject to the Independent Expert continuing to conclude that the Offer is fair and reasonable).

The Offer is due to close at 7.00pm (Sydney time) on 1 July 2025. While the Offer currently remains subject to a number of conditions, Bastion has committed to declaring the Offer unconditional when it acquires a relevant interest of 50.1% of the Xanadu shares.

An electronic copy of the Target's Statement and updates in relation to the Takeover Offer are available on Xanadu's website (www.xanadumines.com).

¹ ASX/TSX Announcement 19 May 2025 – Recommended A\$0.08 per share offer

² ASX/TSX Announcement 27 May 2025 – Bidder's Statement – Bastion Mining Pte Ltd

³ ASX/TSX Announcement 27 May 2025 – Target's Statement – Accept Bastion Takeover Offer

⁴ By way of its subsidiary Jinping (Singapore) Mining Pte. Ltd

About Xanadu Mines

Xanadu is an ASX and TSX listed Exploration company operating in Mongolia. We give investors exposure to globally significant, large-scale copper-gold discoveries and low-cost inventory growth. Xanadu maintains a portfolio of exploration projects and remains one of the few junior explorers on the ASX or TSX who jointly control a globally significant copper-gold deposit in our flagship Kharmagtai project together with our 50-50 JV partner Zijin Mining Group.

For further information on Xanadu, please visit: www.xanadumines.com or contact:

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This Announcement was authorised for release by Xanadu's Takeover Board Committee.

Forward-Looking Statements

Certain statements contained in this Announcement, including information as to the future financial or operating performance of Xanadu and its projects may also include statements which are 'forward-looking statements' that may include, amongst other things, statements regarding targets, estimates and assumptions in respect of mineral reserves and mineral resources and anticipated grades and recovery rates, production and prices, recovery costs and results, capital expenditures and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These 'forward-looking statements' are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Xanadu, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies and involve known and unknown risks and uncertainties that could cause actual events or results to differ materially from estimated or anticipated events or results reflected in such forward-looking statements.

Xanadu disclaims any intent or obligation to update publicly or release any revisions to any forward-looking statements, whether as a result of new information, future events, circumstances or results or otherwise after the date of this Announcement or to reflect the occurrence of unanticipated events, other than required by the *Corporations Act 2001* (Cth) and the Listing Rules of the Australian Securities Exchange (**ASX**) and Toronto Stock Exchange (**TSX**). The words 'believe', 'expect', 'anticipate', 'indicate', 'contemplate', 'target', 'plan', 'intends', 'continue', 'budget', 'estimate', 'may', 'will', 'schedule' and similar expressions identify forward-looking statements.

All 'forward-looking statements' made in this Announcement are qualified by the foregoing cautionary statements. Investors are cautioned that 'forward-looking statements' are not guarantee of future performance and accordingly investors are cautioned not to put undue reliance on 'forward-looking statements' due to the inherent uncertainty therein.

For further information please visit the Xanadu Mines' Website at www.xanadumines.com.