



31 January 2023

LEGAL UPDATE

Bullseye Mining Limited (“Bullseye”, the “Company”) provides an update on legal matters relating to the Company.

Matter COR 83 of 2020 (Initial Proceedings)

The trial in the Supreme Court of Western Australia (“Supreme Court”) of matter COR 83 of 2020 before his Honour Justice Marcus Solomon was concluded on 22 November 2022 (“Initial Proceedings”). Justice Solomon will now proceed to make a determination of the oppression claims in the Initial Proceedings. Hong Kong Xinhe International Investment Company Limited’s (Xinhe) claims in the proceedings were vigorously defended by Bullseye. The Bullseye Board is of the view that, due to the completion of the Emerald Takeover Offer, most of the relief sought by Xinhe in these oppression proceedings have been resolved, save for the costs incurred in the proceedings.

Recommended Judicial Mediation of Initial Proceedings

Bullseye recently attended the recommended judicial mediation process in relation to the Initial Proceedings which was presided over by his Honour Justice Kenneth Martin (“Judicial Mediation”), with a view to seeking to resolve an acceptable commercial outcome via this process. A final outcome was not reached and the Judicial Mediation was adjourned. No further date has been set in relation to this matter.

Matter COR 159 of 2022 (Second Proceedings)

Bullseye is awaiting a statement of claim from the Plaintiffs in relation to Matter COR 159 of 2022 (“Second Proceedings”). Until a statement of claim is served on Bullseye and the other defendants, the basis upon which the claims are brought or an assessment of the relief claimed is unknown.

Matter CIV 1989 of 2020

The trial is complete and pending judgement.

Matter CIV 1987 of 2020

This matter was awaiting a judgement to be handed down in relation to an interlocutory proceeding, regarding application/s for security for costs, issued against Bullseye by six of the defendants to Bullseye’s counterclaim. On 24 January 2023, Registrar Kingsley handed down his decision in favour of Bullseye, with all defendants’ applications for security for costs being dismissed, subject to any appeal.

Dispute with Inca Minerals Limited

Bullseye and Inca Minerals Limited attended a mediation session, facilitated by his Honour Rene Le Miere KC on 6 December 2022. A resolution to the dispute was not reached and the mediation was adjourned until a further date, yet to be set.



Cessation of the Blue Cap Bullseye Joint Venture (Bullseye: 100%)

The Blue Cap Bullseye Joint Venture has been successfully ceased in line with the Company's announcement in relation to this matter dated 21 September 2022, with Bullseye having assumed 100% ownership of all on-site Bungarra gold ore stockpiles and retention of 100% rights to the Bungarra gold project and Neptune gold deposit.

Applications for Forfeiture (Plaints) and Objections to Exemption

In December 2022 and January 2023, an objection to exemption from expenditure and application for forfeiture was lodged against tenements held by Bullseye's 100% owned subsidiary EGF Nickel Pty Ltd. Bullseye has filed objections in relation to these applications and will defend these matters. A number of dates have been tentatively listed in the Warden's Court next month and in March 2023 to hear the objection to exemption applications on existing plaints.

Bullseye Chairman, Morgan Hart commented:

"The Company continues to incur significant expenditure on matters that do not generate shareholder value such as legal costs.

Management are currently working to prepare a follow up pro-rata non-renounceable entitlements offer with funds raised to be applied to continue with the ongoing drilling program at Bullseye's North Laverton Gold Project which is expected to generate shareholder value. However the Company also requires working capital to meet costs associated with the continuing legal actions involving Xinhe, Au Xingao Investment Pty Ltd, Messrs Cheng, as well as dealing with various plaints over Bullseye's tenements. Further details will be provided to shareholders shortly."

Authorised by Bullseye Board.

MORGAN HART
Chairman