Red Earth Energy Storage Limited
ACN 163 828 920

TARGET'S STATEMENT

in relation to the off-market takeover bid made by Health and Plant Protein Group Limited ACN 010 978 800 to acquire all of your RedEarth Shares in consideration for 1 HPP Share for every 73.675 RedEarth Shares you hold.

THE TARGET'S DIRECTORS UNANIMOUSLY RECOMMEND THAT YOU

ACCEPT

THE OFFER IN THE ABSENCE OF A SUPERIOR PROPOSAL

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to how to deal with it, you should consult your legal, financial, taxation or other professional adviser.

Legal Adviser

KAIN | LAWYERS
TRANSACTION SPECIALISTS

Financial Adviser

COTERIE CAPITAL

Important notices

Nature of this document

This document is a Target's Statement issued by Red Earth Energy Storage Limited ACN 163 828 920 ('**Target**' or '**RedEarth**') under Division 3 of Part 6.5 of the Corporations Act. This Target's Statement is given in response to the conditional off-market takeover bid by Health and Plant Protein Group Limited ACN 010 978 800 ('**Bidder**' or '**HPP**'), for all of the RedEarth Shares that it does not own. This is an important document and requires your immediate attention.

ASIC disclaimer

A copy of this Target's Statement has been lodged with ASIC. ASIC nor any of their respective officers takes any responsibility for the contents of this Target's Statement.

Risk factors

RedEarth Shareholders should note that there are a number of risk factors attached to their investment in RedEarth and other risks which apply in the event the Offer is accepted. Please refer to **Section 9** of this Target's Statement for further information on those risks.

Definitions and interpretation

A number of defined terms are used in this Target's Statement. These terms are explained in **Section 12** of this Target's Statement together with the rules of interpretation that apply to this Target's Statement.

Investment decisions

Nothing in this Target's Statement constitutes investment, legal, tax or other advice. This Target's Statement does not take into account your individual objectives, financial situation or particular needs and should not therefore be relied on as the sole basis for any decision in relation to the Offer. You should seek your own independent legal, financial and taxation advice before deciding whether to accept or reject the Offer.

Forward looking statements

Some of the statements appearing in this Target's Statement may be in the nature of forward looking statements. You should be aware that such statements are not statements of known fact and that there is no certainty of outcome in relation to the matters to which the statements relate. They reflect views held only as at the date of this Target's Statement and are subject to inherent risks and uncertainties. Those risks and uncertainties include factors and risks specific to RedEarth, HPP and the market sector in which they operate as well as general economic conditions, conditions in the financial markets, exchange rates and interest rates and regulatory changes, many of which are outside the control of RedEarth, HPP and their respective directors. As a consequence, actual events or results may differ materially from the events or results expressed or implied in any forward looking statement.

None of RedEarth, RedEarth's directors, officers and employees, any persons named in this Target's Statement with their consent or any person involved in the preparation of this Target's Statement, makes any representation or warranty (either 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.

Information about HPP in this Target's Statement

Except where disclosed otherwise in this Target's Statement, the information about HPP contained in this Target's Statement has been prepared by RedEarth using publicly available information and limited information provided by HPP (including the Bidder's Statement), which has not been independently verified by RedEarth. Accordingly, to the maximum extent permitted by law, RedEarth does not assume responsibility and does not make any representation or warranty (express or implied) as to the accuracy or completeness of such information. If any information obtained from HPP or public sources is inaccurate or incomplete, this may affect the information included in this Target's Statement.

Statements of past performance

This Target's Statement includes information regarding the past performance of RedEarth and HPP. Investors should be aware that past performance should not be relied on as being indicative of future performance.

Diagrams and rounding

Any diagrams, charts, maps, graphs and tables appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in diagrams, charts, maps, graphs and tables is based on information available at the date of this Target's Statement. In addition, any numerical information may not add up due to rounding.

Estimates and assumptions

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

Notice to foreign shareholders

The release, publication or distribution of this Target's Statement may, in some jurisdictions, be restricted by law or regulation and persons who come into possession of it should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable laws or regulations. This Target's Statement has been prepared in accordance with Australian law and the information contained in this Target's Statement may not be the same as that which would have been disclosed if this Target's Statement had been prepared in accordance

with the laws and regulations applicable outside of Australia.

Privacy

RedEarth has collected your information from the RedEarth Register for the purpose of providing you with this Target's Statement. The type of information RedEarth has collected about you includes your name, contact details and information on your RedEarth Shareholding. Without this information, RedEarth would be hindered in its ability to issue this Target's Statement. The Corporations Act requires the name and address of RedEarth Shareholders to be held in a public register.

Your information may be disclosed on a confidential basis to HPP and its Related Bodies Corporate and external service providers (such as HPP's share registry) and may be required to be disclosed to regulators. If you would like to obtain details of the information held by you by HPP, please contact HPP via email to corporate@hppgroup.com.

No website is part of this Target's Statement

Any references in this Target's Statement to websites are a textual reference for information only and no information in any website forms part of this Target's Statement.

Currency

All references in this Target's Statement to "$", "A$", "AUD" and "Australian dollars" are to Australian currency.

Date of this Target's Statement

This document is dated 4 November 2025.

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Key Dates and Events

Announcement of Offer	28 August 2025
Register Date	9.00am (Brisbane time) on 24 October 2025
Date of original bidder's statement	24 October 2025
Date of replacement Bidder's Statement	29 October 2025
Commencement of the Offer Period[1]	30 October 2025
Date of this Target's Statement	4 November 2025
Close of the Offer Period (unless extended or withdrawn)	4.00pm (Brisbane time) on 1 December 2025

Please note that:

1 HPP may extend the Offer Period in accordance with the Corporations Act in the circumstances described in Section 6.5 of this Target's Statement. If HPP does so, HPP is required to send you a notice specifying the new date that the Offer Period closes (unless you have already accepted the Offer and, other than in the case of an automatic extension, the Offer is unconditional).

2 HPP may also withdraw the Offer in accordance with the Corporations Act in the circumstances described in Section 6.17 of this Target's Statement. If HPP does so, RedEarth Shareholders will no longer be able to accept the Offer. In addition, if the Offer remains conditional at the time of the withdrawal, then the contracts formed by RedEarth Shareholders' acceptances of the Offer will be void. If the Offer is unconditional at the time of the withdrawal, all contracts arising from acceptance of the Offer before the withdrawal will remain enforceable.

[1] RedEarth has given its consent to HPP despatching the Bidder's Statement to RedEarth Shareholders on the date the Offer opens, being a date earlier than would otherwise apply under section 633 of the Corporations Act

Letter from the Chair

4 November 2025

Dear RedEarth Shareholders,

ACCEPT THE OFFER (in the absence of a Superior Proposal)

On 28 August 2025, HPP announced a conditional off-market takeover bid for all of the Shares in RedEarth that it does not already own ('**Offer**'). On behalf of the RedEarth Board, I am pleased to present you with this Target's Statement and the opportunity to combine with HPP via the Offer.

This Target's Statement sets out the RedEarth Directors' response to the Offer and contains their recommendation, reasons for that recommendation, and other important information you should consider when deciding whether to accept or reject the Offer.

Under the Offer, RedEarth Shareholders are being offered 1 new HPP Share for every 73.675 RedEarth Shares they hold. The RedEarth Directors, having considered the advantages and disadvantages of the Offer, unanimously recommend that RedEarth Shareholders **ACCEPT** the Offer in the absence of a Superior Proposal.

Since March 2023, RedEarth has attempted to raise capital to enable it to satisfy the increased working capital demands of its business. However, due to a variety of factors, RedEarth has been unable to raise the capital it requires. The merger of RedEarth and HPP (through the Offer), if successful, will provide RedEarth with access to capital that it needs to satisfy the increased working capital demands of its business.

In addition, the key reasons for the RedEarth Director's recommendation are as follows:

- **Potential for enhanced liquidity** - if the Offer is completed, and depending on prevailing market conditions at the relevant time, HPP intends to list on the ASX before 31 March 2026. If this occurs, HPP Shares issued to RedEarth Shareholders who accept the Offer will be tradeable on the ASX (subject to HPP remaining listed on the ASX at the relevant time and HPP Shares being freely tradeable in general and not suspended from trading).

- **No Superior Proposal has emerged** - the Offer was announced to the market on 28 August 2025. As at the date of this Target's Statement, no Superior Proposal has emerged that would cause the RedEarth Directors to reconsider their current recommendation.

Upon successful completion of the Offer, RedEarth Shareholders will own approximately 82.5% of the Merged Group on an undiluted basis.[2]

[2] HPP currently has 25,000,000 options on issue. Please refer to section 4.1 of the Bidder's Statement for more information on those options. Any exercise of those options will decrease the RedEarth Shareholders' ownership proportion of the Merged Group.

I encourage you to read this Target's Statement and the Bidder's Statement (which you should have already received) in their entirety, and consider the Offer having regard to your own personal risk profile, investment strategy and tax circumstances.

To accept the Offer you should carefully follow the instructions in the Bidder's Statement and complete the acceptance form enclosed with it. The Offer is due to close at 4.00pm (Brisbane time) on 1 December 2025, unless extended or withdrawn.

The RedEarth Directors will continue to keep you informed of all material developments with respect to the Offer and any other competing offer or proposal that may emerge.

Yours sincerely



Trent Donnelly
Chair
Red Earth Energy Storage Limited

1 Summary of the Offer

Set out below is a summary of the key features of the Offer. Please also refer to **Section 4** of this Target's Statement for responses to a number of frequently asked questions in relation to the Offer.

Offer Price	HPP is offering to acquire all of your RedEarth Shares for 1 HPP Share for every 73.675 RedEarth Shares you hold.
RedEarth Directors' recommendation	The RedEarth Directors unanimously recommend you **ACCEPT** the Offer, in the absence of a Superior Proposal.
Reasons to accept the Offer	The RedEarth Directors consider you should **ACCEPT** the Offer, in the absence of a Superior Proposal, because: • RedEarth has attempted to raise capital to enable it to satisfy the increased working capital demands of its business but has been unable to raise the capital it requires; • if the Offer is completed, and depending on prevailing market conditions at the relevant time, HPP intends to list on the ASX before 31 March 2026 and, if this occurs, HPP Shares issued to RedEarth Shareholders who accept the Offer will be tradeable on the ASX (subject to HPP remaining listed on the ASX at the relevant time and HPP Shares being freely tradeable in general and not suspended from trading); • as at the date of this Target's Statement, no Superior Proposal has emerged; • if the Offer is unsuccessful and no other proposals emerge, and RedEarth is unable to access capital, RedEarth Shares may fall in value; and • if the Offer lapses, RedEarth will need to repay HPP $2.5 million plus interest in accordance with the HPP Loan Agreement and will need to raise urgent additional funds to satisfy this repayment obligation. **Section 2** of this Target's Statement provides further information on the reasons to accept the Offer.
Reasons you may not wish to accept the Offer	There are some reasons why RedEarth Shareholders may not choose to accept the Offer, including: • you may disagree with the RedEarth Directors' unanimous recommendation; • you may consider that there is the potential for a superior proposal to be made in relation to Target in the foreseeable future; • you may wish to participate in any potential benefits of remaining a RedEarth Shareholder; and • the potential tax consequences of accepting the Offer may not be suitable to your financial position. **Section 3** of this Target's Statement provides further information on the reasons you may not wish to accept the Offer.

Actions available to RedEarth Shareholders	You have the following choices in relation to your RedEarth Shareholding: • accept the Offer by taking the steps described in **Section 6.8** of this Target's Statement; or • reject the Offer (which does not require you to take any further action). **Section 5** of this Target's Statement provides further information about these choices.
Consequences of accepting the Offer now	If you accept the Offer, you will give up your right accept any competing proposal in relation to RedEarth or otherwise deal with your RedEarth Shares, except in limited circumstances in which you exercise withdrawal rights that have become available (see **Section 6.10** of this Target's Statement).
Key dates	Date of original bidder's statement — 24 October 2025 Date of replacement Bidder's Statement — 29 October 2025 Commencement of the Offer Period — 30 October 2025 Date of this Target's Statement — 4 November 2025 Close of the Offer Period (unless extended or withdrawn) — 4.00pm (Brisbane time) on 1 December 2025 HPP may extend the Offer Period in accordance with the Corporations Act in the circumstances described in **Section 6.5** of this Target's Statement. If HPP does so, HPP is required to send you a notice specifying the new date that the Offer Period closes (unless you have already accepted the Offer and, other than in the case of an automatic extension, the Offer is unconditional). HPP may also withdraw the Offer in accordance with the Corporations Act in the circumstances described in **Section 6.17** of this Target's Statement. If HPP does so, RedEarth Shareholders will no longer be able to accept the Offer. In addition, if the Offer remains conditional at the time of the withdrawal, then the contracts formed by RedEarth Shareholders' acceptances of the Offer will be void. If the Offer is unconditional at the time of the withdrawal, all contracts arising from acceptance of the Offer before the withdrawal will remain enforceable.
Conditions and terms of the Offer	The full terms and conditions of the Offer are contained in section 11 of the Bidder's Statement. You should note in particular that the Offer is currently subject to a number of conditions, as set out in section 12 of the Bidder's Statement. These include conditions regarding: • (**Minimum acceptance**) before the end of the Offer Period, HPP and its associates have: ○ a Relevant Interest in at least 90% (by number) of all RedEarth Shares; and

	○ acquired at least 75% (by number) of the RedEarth Shares under the Offer. • (**No Superior Proposal**) before the end of the Offer Period, there is no Superior Proposal. • (**No restraint**) no temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Offer or the transactions contemplated by the Offer is in effect at the close of the Offer Period. • (**Conduct of business**) between 28 August 2025 and the end of the Offer Period (each inclusive), RedEarth has not done any of the following without the prior written approval of HPP: ○ (**Finance Documents**) failed to comply with its obligations under the Finance Documents in any material respect; ○ (**financial indebtedness**) subject to the Finance Documents and except for liabilities incurred in connection with the Offer, increased its financial indebtedness (including financial liabilities incurred under finance leases), other than in the ordinary and usual course of business, by an amount in excess of $100,000; ○ (**joint venture or partnership**) entered into a joint venture, partnership or other similar arrangement; ○ (**Security Interests**) created or agreed to create Security Interest over the whole, or a substantial part, of its business or property; ○ (**material commitments**) except as Fairly Disclosed to HPP in writing prior to 28 August 2025, entered into whether through one or a series of related transactions, any commitment for more than 12 months or having a total value of more than $250,000 other than in the ordinary and usual course of business; • (**Options**) on or before the date which is one Business Day before the Conditions Notice Date, each Option has been exercised or lapsed; • (**No Prescribed Occurrence**) between 28 August 2025 and the end of the Offer Period (each inclusive), no Prescribed Occurrence occurs without the prior written approval of HPP; • (**No Material Adverse Change**) between 28 August 2025 and the end of the Offer Period (each inclusive), no Material Adverse Change occurs; and • (**No breach of representations**) between 28 August 2025 and the end of the Offer Period (each inclusive), no circumstance or event occurs which would make certain statements contemplated in the Bid Implementation Agreement untrue or incorrect in any material respect. The RedEarth Directors' commentary on those conditions is contained in **Section 6.6** of this Target's Statement.

2 Why you should accept the Offer

2.1 RedEarth Directors' recommendations

The RedEarth Directors unanimously recommend that RedEarth Shareholders ACCEPT the Offer, in the absence of a Superior Proposal.

In addition, each of the RedEarth Directors intends to accept the Offer in respect of the RedEarth Shares that they own or control, in the absence of a Superior Proposal, representing approximately 3.8% of the RedEarth Shares on issue.

The reasons for the RedEarth Directors' recommendation are set out in **Section 2.2**.

2.2 Reasons to accept the Offer

The RedEarth Directors have considered the advantages and disadvantages of the Offer and the RedEarth Directors recommend that you **ACCEPT** the Offer. The reasons for this recommendation are as follows:

1	RedEarth's funding requirements
2	Potential for enhanced liquidity
3	No Superior Proposal has emerged
4	RedEarth Shares may fall in value
5	Repayment requirements under HPP Loan Agreement

2.2.1 Reason 1: RedEarth's funding requirements

Since March 2023, RedEarth has attempted to raise capital to enable it to satisfy the increased working capital demands of its business. However, due to a variety of factors, RedEarth has been unable to raise the capital it requires. The merger of RedEarth and HPP (through the Offer), if successful, will provide RedEarth with access to capital that it needs to satisfy the increased working capital demands of its business.

As at the date of the Bidder's Statement (being 29 October 2025), HPP held cash reserves of $2.8 million. HPP has agreed to maintain a minimum cash balance of $2.0 million after the payment of all costs and expenses in connection with the Offer.

2.2.2 Reason 2: Potential for enhanced liquidity

If the Offer is completed, and depending on prevailing market conditions at the relevant time, HPP intends to list on the ASX before 31 March 2026. If this occurs, HPP Shares issued to RedEarth Shareholders who accept the Offer will be tradeable on the ASX (subject to HPP remaining listed on the ASX at the relevant time and HPP Shares being freely tradeable in general and not suspended from trading).

2.2.3 Reason 3: No Superior Proposal has emerged

The Offer was announced to the market on 28 August 2025. As at the date of this Target's Statement, no Superior Proposal has emerged that would cause the RedEarth Directors to reconsider their current recommendation.

If a Competing Proposal emerges, the RedEarth Directors will carefully consider the proposal to determine whether it is a Superior Proposal and will inform you of any material developments which may affect the RedEarth Directors' views that the Offer is presently the most favourable proposal for your RedEarth Shares.

2.2.4 Reason 4: RedEarth Shares may fall in value

If the Offer is unsuccessful and no other proposals emerge, and RedEarth is unable to access capital, the value of the RedEarth Shares may decrease and RedEarth Shareholders will be exposed to ongoing risks associated with an investment in RedEarth. If RedEarth is unable to raise funds in the future, RedEarth may not necessarily be able to continue as a going concern.

2.2.5 Reason 5: Repayment requirements under HPP Loan Agreement

Under the HPP Loan Agreement, if the Offer lapses (including because the 'Minimum Acceptance' condition is not satisfied (as described in section 12.1(a) of the Bidder's Statement)), RedEarth will need to repay HPP $2.5 million plus interest at the rate of 20% per annum on or before the date that is 45 days after the date the Offer lapses. RedEarth will need to raise urgent additional funds to satisfy this repayment obligation.

3 Reasons why you may not wish to accept the Offer

The Offer has a number of potential disadvantages and risks that RedEarth Shareholders should consider when deciding whether or not to accept the Offer.

Although the RedEarth Directors consider that these disadvantages and risks are outweighed by the advantages of the Offer, and unanimously recommend that RedEarth Shareholders **ACCEPT** the Offer in the absence of a Superior Proposal, RedEarth Shareholders should consider their individual circumstances in determining whether or not to accept the Offer.

1	You may disagree with the RedEarth Directors' unanimous recommendation.
2	You may consider that there is the potential for a superior proposal to be made in relation to Target in the foreseeable future.
3	You may wish to participate in any potential benefits of remaining a RedEarth Shareholder.
4	The potential tax consequences of accepting the Offer may not be suitable to your financial position.

3.1.1 Reason 1: You may disagree with the RedEarth Directors' unanimous recommendation.

You may hold a different view from, and not obliged to follow, the unanimous recommendation of the RedEarth Directors, who are recommending that RedEarth Shareholders accept the Offer, in the absence of a superior proposal.

3.1.2 Reason 2: You may consider that there is the potential for a superior proposal to be made in relation to RedEarth in the foreseeable future.

You may believe that there is a possibility that a superior proposal could emerge in the foreseeable future. However, as at the date of this Target's Statement, there is no superior proposal that is available to be accepted by RedEarth Shareholders.

3.1.3 Reason 3: You may wish to participate in any potential benefits of remaining a RedEarth Shareholder.

If you accept the Offer, and the Offer becomes unconditional, you will cease to hold your RedEarth Shares. The sale of RedEarth Shares under the Offer may result in disadvantages to those who wish to maintain their current investment profile.

In particular, you may wish to maintain your investment in RedEarth in order to have an investment in an unlisted public company with the specific characteristics of RedEarth in terms of risk, predominant exposure to regulated assets and earnings, operational profile, size, capital structure and potential dividend stream.

However, in deciding to unanimously recommend that you accept the Offer, the RedEarth Directors have determined that, on balance, the potential benefits of the Offer, as set out in **Section 2** of this Target's Statement, offer a more favourable and certain outcome for RedEarth Shareholders than the benefits that might otherwise be available to them if RedEarth remains a standalone company and seeks to execute its current business strategy.

In coming to this conclusion, the RedEarth Directors had regard to a number of specific risks to RedEarth Shareholders of remaining invested in RedEarth, which are described in Section 9 of this Target's Statement.

3.1.4 Reason 4: The potential tax consequences of accepting the Offer may not be suitable to your financial position.

Acceptance and subsequent implementation of the Offer may result in taxation consequences for you.

Section 10 of this Target's Statement sets out a general summary of the Australian taxation consequences for RedEarth Shareholders of accepting the Offer. The application of tax laws to RedEarth Shareholders will be dependent on particular facts and circumstances and accordingly it is strongly encouraged that RedEarth Shareholders obtain their own independent taxation advice.

4 Frequently asked questions

This **Section 4** answers questions that may be commonly asked about the Offer. A number of other questions may also be answered by the summary of the Offer which is contained in **Section 1** of this Target's Statement.

This **Section 4** is not intended to address all relevant issues for RedEarth Shareholders. It should be read together with all other parts of this Target's Statement and the Bidder's Statement.

#	Question	Answer	Reference
1.	**What is the Offer?**	HPP is offering to acquire all of your RedEarth Shares in consideration for 1 HPP Share for every 73.675 RedEarth Shares you hold, on the terms and conditions contained in section 11 of the Bidder's Statement. If you are an Ineligible Foreign Shareholder, you will not be issued HPP Shares. Instead, you will be paid by the nominee the net proceeds of the sale of HPP Shares you would have been entitled to.	**Sections 1** and **6**
2.	**What do the RedEarth Directors recommend I do?**	The RedEarth Directors unanimously recommend you **ACCEPT** the Offer, in the absence of a Superior Proposal, for the reasons contained in **Section 2.2** of this Target's Statement.	**Sections 1** and **2**
3.	**What do the RedEarth Directors intend to do with their RedEarth Shares?**	Each of the RedEarth Directors intends to accept the Offer in respect of the RedEarth Shares that they own or control, in the absence of a Superior Proposal, representing approximately 3.8% of RedEarth Shares on issue.	**Section 2.1**
4.	**What is the Bidder's Statement?**	The Bidder's Statement is the document prepared by HPP which sets out the terms of the Offer, as required by the Corporations Act. HPP lodged the replacement Bidder's Statement with ASIC on 29 October 2025 which replaced the original bidder's statement dated 24 October 2025. All RedEarth Shareholders should have recently received a copy of the Bidder's Statement in the post. If you have misplaced or have not received your Bidder's Statement, please contact HPP via email to corporate@hppgroup.com to request another copy.	

5.	What is this Target's Statement?	This Target's Statement is the formal response by the RedEarth Directors to the Offer, as required by the Corporations Act. This document has been prepared by RedEarth and contains important information to help you decide whether to accept the Offer.	Important notices and Letter from the Chair
6.	What choices do I have as a RedEarth Shareholder?	You have the following choices in relation to your RedEarth Shareholding: • accept the Offer; or • reject the Offer (which does not require you to take any further action). Section 5 of this Target's Statement provides further information about these choices.	Section 5
7.	How do I accept the Offer?	To accept the Offer, refer to section 11.6 of the Bidder's Statement, as well as the instructions on the Offer Acceptance Form enclosed with the Bidder's Statement. If you wish to accept the Offer, you should ensure that you correctly accept the Offer before the end of the Offer Period. If you have misplaced or have not received your Offer Acceptance Form, please contact HPP via email to corporate@hppgroup.com to request another Offer Acceptance Form. See also Section 6.8 of this Target's Statement for further information about how to accept the Offer.	Section 6.8
8.	How do I reject the Offer?	To reject the Offer, you should take no action.	Section 5.2
9.	What happens if I do nothing?	If you do nothing in relation to the Offer and do not otherwise dispose of your RedEarth Shares, you will remain an RedEarth Shareholder, subject to the comments below. HPP has stated in section 6.2 of the Bidder's Statement that it intends to compulsorily acquire all remaining RedEarth Shares if HPP (with its Associates) has a Relevant Interest in at least 90% (by number) of the RedEarth Shares during or at the end of the Offer Period. See Section 6.14 of this Target's Statement for more details. Even if HPP does not proceed to compulsory acquisition, it may still acquire	Sections 6.14 to 6.16

		a significant RedEarth Shareholding as a result of the Offer. You should consider the implications of remaining a minority RedEarth Shareholder in these circumstances.	
10.	What happens if there is a Competing Proposal from a Third Party that is a Superior Proposal?	If there is a Competing Proposal in relation to RedEarth from a Third Party, the RedEarth Directors will reconsider their recommendation of the Offer and advise RedEarth Shareholders accordingly. If you have already accepted the Offer at that time, you will only be able to withdraw your acceptance in limited circumstances referred to in Section 6.10 of this Target's Statement. Accordingly, you should be aware that if you accept the Offer, you may be unable to accept a Superior Proposal if one arises. As at the date of this Target's Statement, there is no Superior Proposal in relation to RedEarth.	Sections 5.1, 6.9 and 6.10
11.	What is the Bid Implementation Agreement?	The Bid Implementation Agreement was entered into between RedEarth and HPP on 28 August 2025. Amongst other things, it contains the terms and conditions on which HPP would proceed with the Offer. A summary of the key terms of the Bid Implementation Agreement was attached to HPP's announcement to the ASX on 28 August 2025 and a summary of the key terms of the Bid Implementation Agreement is contained in section 10.1 of the Bidder's Statement.	Section 11.1
12.	What are the pre-bid acceptance deeds and shareholder intention statements?	HPP has received pre-bid acceptance deeds from the RedEarth Pre-Bid Acceptance Shareholders in respect of RedEarth Shares representing approximately 18.9% of the total issued RedEarth Shares. Under the pre-bid acceptance deeds, RedEarth Pre-Bid Acceptance Shareholders have agreed, in the absence of a Superior Proposal, to accept the Offer for all the RedEarth Shares they hold within 10 Business Days after the Offer becomes open (being 14 November 2025). Additionally, the RedEarth Major Shareholders, who represent approximately 59.6% of RedEarth's Shares, have advised RedEarth that, in the absence of a Superior Proposal, they intend to accept the Offer for all the RedEarth Shares they hold.	Section 11.2

		The RedEarth Pre-Bid Acceptance Shareholders and the RedEarth Major Shareholders have consented to their pre-bid acceptance deeds and shareholder intention statements, respectively, being disclosed in this document.	
13.	What happens if the conditions of the Offer are not satisfied or waived?	If the conditions of the Offer are not satisfied or waived by the end of the Offer Period, the Offer will lapse. If you accepted the Offer, you will remain a RedEarth Shareholder and will be free to deal with your RedEarth Shares again.	Section 6.6
14.	When will I receive consideration for my RedEarth Shares?	It is important to understand that even if you accept the Offer, you will not be entitled to receive any consideration for your RedEarth Shares unless all of the conditions of the Offer are satisfied or waived. Please refer to Section 6.6 for a summary of the conditions and their status as at the date of this Target's Statement. HPP has stated in sections 11.7 and 11.8 of the Bidder's Statement that if you accept the Offer in accordance with the instructions contained in the Offer and the Offer Acceptance Form enclosed with the Bidder's Statement and the Offer becomes unconditional, you will receive the HPP Shares to which you are entitled under the Offer made to you on or before the earlier of: • if the Offer is unconditional when you accept, one month after the date you fter the end of the Offer Period. See Section 6.11 of this Target's Statement for further details. Ineligible Foreign Shareholders will be provided with the net proceeds from the sale of their HPP Shares to which they are entitled under the Offer at a different time. Refer to section 11 of the Bidder's Statement for further details.	Sections 6.6, 6.11 and 6.12
15.	How will I know whether the Offer has become unconditional?	HPP must inform RedEarth and RedEarth Shareholders as soon as the conditions to the Offer have been satisfied or waived.	Section 6.7
16.	What interests do the RedEarth	The RedEarth Directors have notified RedEarth that they and their Associates hold the following interests in RedEarth	Sections 8.2 and 11.3

	Directors have in relation to the Offer?	Shares as at the date of this Target's Statement: **RedEarth Director** | **RedEarth Shares** Charles Edwyn Walker | 1,302,214,628 **Note:** RedEarth Shares may be held either directly or indirectly by a RedEarth Director. The RedEarth Directors have notified RedEarth that they and their Associates do not have a Relevant Interest in any HPP Shares as at the date of this Target's Statement. Under the Bid Implementation Agreement, after the Offer becomes unconditional: • RedEarth will procure the recomposition of the RedEarth Board so that it comprises Albert Tse (Chair), Marc Sheldon, Hugh Robertson and Trent Donnelly (assuming Albert Tse, Marc Sheldon and Hugh Robertson consent to such appointment); and • HPP will procure the recomposition of the board of HPP so that it comprises Albert Tse (Chair), Marc Sheldon, Hugh Robertson and Trent Donnelly (assuming Marc Sheldon and Trent Donnelly consent to such appointment).	
17.	**What are the tax implications of accepting the Offer?**	A general outline of the Australian taxation implications of accepting the Offer is set out in **Section 10** of this Target's Statement. As the outline is a general outline only, RedEarth Shareholders are encouraged to seek their own specific professional advice as to the taxation implications applicable to their circumstances.	**Section 10**
18.	**Can I accept for part of my RedEarth Shareholding?**	No. You may only accept the Offer for all of the RedEarth Shares held by you.	**Sections 1 and 6.3**

19.	Can I be forced to sell my RedEarth Shares?	You cannot be forced to sell your RedEarth Shares unless HPP is legally entitled to proceed to compulsory acquisition of RedEarth Shares. This may occur if HPP (together with its Associates) has a Relevant Interest in at least 90% (by number) of the RedEarth Shares through acceptances under the Offer or otherwise, during or at the end of the Offer Period. In that event, you will be entitled to receive the same consideration for your RedEarth Shares that you would have received under the Offer, but it is likely to take longer for you to receive the consideration from HPP. Alternatively, even if the requirements set out in the paragraph above are not satisfied at the end of the Offer Period, it is possible that HPP may proceed to compulsory acquisition if it (either alone or together with its Related Bodies Corporate) acquires at any time full beneficial interest in at least 90% (by number) of the RedEarth Shares. In that event, HPP will need to pay "fair value" for the RedEarth Shares (as assessed by an expert). See Section 6.15 of this Target's Statement for further information about compulsory acquisition.	Sections 5 and 6.14 to 6.16
20.	If I accept the Offer, can I withdraw my acceptance?	If you accept the Offer, you will not be able to withdraw your acceptance, except in certain limited circumstances referred to in Section 6.10 of this Target's Statement.	Section 6.10
21.	Will I need to pay brokerage or stamp duty if I accept the Offer?	No brokerage or stamp duty will be payable by you as a result of your acceptance of the Offer. However, if you hold your RedEarth Shares through a bank, custodian or other nominee, you should ask your Controlling Participant (normally your stockbroker) or nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.	Section 10.7
22.	Who do I contact if I have further questions?	If you require further information in relation to the details of the Offer, please direct your enquiry to shareholders@redearth.energy	

5 Your choice as a RedEarth Shareholder

The RedEarth Directors unanimously recommend that you ACCEPT the Offer in the absence of a Superior Proposal.

However, as a RedEarth Shareholder, you have two choices currently available to you:

5.1 Accept the Offer

Details of how to accept the Offer are contained in section 11.6 of the Bidder's Statement and **Section 6.8** of this Target's Statement.

If you accept the Offer, a binding contract of sale will immediately exist between you and HPP and you will give up your right to sell your RedEarth Shares or accept any competing proposal in relation to Target or otherwise deal with your RedEarth Shares, except in limited circumstances in which you exercise withdrawal rights that have become available (see **Section 6.10** of this Target's Statement).

The taxation consequences of accepting the Offer depend on a number of factors and will vary according to your particular circumstances. A general outline of the Australian taxation implications of accepting the Offer is set out in **Section 10** of this Target's Statement. You should seek your own specific professional advice regarding the taxation consequences for you of accepting the Offer.

5.2 Reject the Offer

If, despite the RedEarth Directors' unanimous recommendation, you do not wish to accept the Offer, you do not need to take any action.

6 Information regarding the Offer

6.1 Overview

This **Section 6** contains the RedEarth Directors' commentary on the terms and conditions of the Offer. The full terms and conditions of the Offer are set out in section 11 of the Bidder's Statement.

6.2 Information about HPP

The Offer is being made by HPP.

HPP is an unlisted public company limited by shares, incorporated and domiciled in Australia. Its registered office is C/ - Level 28 One Eagle – Waterfront Brisbane, Queensland 4000. It was previously listed on ASX from 10 October 1989 to 29 August 2025 under ASX codes HPP and BUG.

HPP currently has no main business undertaking or material operations. As at the date of the Bidder's Statement, HPP had total assets of approximately $5.3 million comprising $2.8 million cash and a receivable of $2.5 million from RedEarth due 26 November 2025 plus interest at the rate of 20% per annum and total liabilities of approximately $0.1 million. HPP has committed to return approximately $400,000 to its shareholders by way of a return of capital.

Further details regarding HPP are contained in section 3 of the Bidder's Statement.

6.3 The Offer

HPP is offering to acquire all RedEarth Shares that it does not own from RedEarth Shareholders. The Offer relates to RedEarth Shares that existed as at 9.00am (Brisbane time) on 24 October 2025.

You may only accept the Offer in respect of **all** of your RedEarth Shares.

The Offer is subject to a number of conditions, which are discussed in more detail in **Section 6.6** of this Target's Statement.

6.4 Consideration

HPP is offering to acquire all of your RedEarth Shares in consideration for 1 HPP Share for every 73.675 RedEarth Shares you hold.

6.5 Offer Period

The Offer is currently scheduled to close at 4.00pm (Brisbane time) on 1 December 2025.

If the Offer remains subject to conditions, HPP may extend the Offer Period at any time before giving notice of the status of conditions of the Offer (HPP has indicated in the Bidder's Statement that it will give notice of the status of conditions on 17 November 2025, unless that date is varied in accordance with the Corporations Act).

However, if the Offer is unconditional (that is, all of the conditions are satisfied or waived), HPP may extend the Offer Period at any time before the end of the Offer Period.

In addition, there would be an automatic extension of the Offer Period if, within the last seven days of the Offer Period:

(a) HPP improves the consideration under the Offer; or

(b) HPP's voting power in RedEarth increases to more than 50%,

in which case the Offer Period would be automatically extended so that it would end 14 days after the relevant event occurs.

If HPP extends the Offer Period (including in the case of an automatic extension), HPP is required to send you a notice specifying the new date that the Offer Period closes (unless you have already accepted the Offer and, other than in the case of an automatic extension, the Offer is unconditional).

6.6 Conditions of the Offer

The Offer is subject to a number of conditions which are set out in full in section 12 of the Bidder's Statement. All of the conditions must be satisfied, or be waived by HPP, before the end of the Offer Period, in order for the Offer to proceed. If any condition of the Offer is neither satisfied nor waived within the relevant period described above:

(a) the Offer will lapse;

(b) RedEarth Shareholders who have accepted the Offer will not be entitled to receive any consideration under the Offer; and

(c) RedEarth Shareholders who have accepted the Offer will become entitled to deal with their RedEarth Shares again.

These conditions might affect the prospects of success of the Offer given that, as explained below, certain of these conditions are out of RedEarth's control or require RedEarth to take (or refrain from taking) various actions.

Set out below is a summary of, and specific comments in relation to, each condition. Please refer to section 12 of the Bidder's Statement for the full text of each condition.

Condition	Summary and further comments
Minimum Acceptance	Before the end of the Offer Period, HPP and its associates have: • a Relevant Interest in at least 90% (by number) of all RedEarth Shares; and • acquired at least 75% (by number) of the RedEarth Shares under the Offer.
No Superior Proposal	Before the end of the Offer Period, there is no Superior Proposal.
No restraint	No temporary restraining order, preliminary or permanent injunction or other order issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Offer or the transactions contemplated by the Offer is in effect at the close of the Offer Period.

Conduct of business	Between 28 August 2025 and the end of the Offer Period (each inclusive), RedEarth has not done any of the following without the prior written approval of HPP: • (Finance Documents) failed to comply with its obligations under the Finance Documents in any material respect; • (financial indebtedness) subject to the Finance Documents and except for liabilities incurred in connection with the Offer, increased its financial indebtedness (including financial liabilities incurred under finance leases), other than in the ordinary and usual course of business, by an amount in excess of $100,000; • (joint venture or partnership) entered into a joint venture, partnership or other similar arrangement; • (Security Interests) created or agreed to create Security Interest over the whole, or a substantial part, of its business or property; • (material commitments) except as Fairly Disclosed to HPP in writing prior to 28 August 2025, entered into whether through one or a series of related transactions, any commitment for more than 12 months or having a total value of more than $250,000 other than in the ordinary and usual course of business.
Options	On or before the date which is one Business Day before the Conditions Notice Date, each Option has been exercised or lapsed.
No Prescribed Occurrence	Between 28 August 2025 and the end of the Offer Period (each inclusive), no Prescribed Occurrence occurs without the prior written approval of HPP. As at the date of this Target's Statement, the RedEarth Directors are not aware of any matter having occurred or which is currently planned which would cause this condition not to be satisfied.
No Material Adverse Change	Between 28 August 2025 and the end of the Offer Period (each inclusive), no Material Adverse Change occurs. As at the date of this Target's Statement, no information has come to the attention of the RedEarth Directors which indicates that this condition will not be satisfied. However, events may arise following the date of this Target's Statement which are partly or wholly outside the control of RedEarth and which may lead to this condition not being satisfied.
No breach of representations	Between 28 August 2025 and the end of the Offer Period (each inclusive), no circumstance or event occurs which would make certain statements contemplated in the Bid Implementation Agreement untrue or incorrect in any material respect. Those statements are summarised at section 12.1(h) of the Bidder's Statement.

6.7 Notice of status of conditions

The Bidder's Statement indicates that HPP will give a notice of the status of the conditions to the Offer on 17 November 2025.

HPP is required to set out in its notice of status of conditions:

(a) whether the Offer is free of any or all of the conditions;

(b) whether, so far as HPP knows, the conditions have been fulfilled on the date the notice is given; and

(c) HPP's voting power in RedEarth.

If the Offer Period is extended before the time by which the notice of status of conditions is to be given, the date for giving the notice of status of conditions will be taken to be postponed for the same period pursuant to section 630(2) of the Corporations Act.

In the event of such an extension, HPP is required, as soon as practicable after the extension, to give a notice to RedEarth and RedEarth Shareholders that states:

(a) the new date for the giving of the notice of status of conditions;

(b) whether the Offer has been freed from the conditions; and

(c) whether, so far as HPP knows, the conditions have been fulfilled on the date of the notice.

If a condition is fulfilled (so that the Offer becomes free of that condition) during the Offer Period but before the date on which the notice of status of conditions is required to be given, Bidder must, as soon as practicable, give RedEarth and RedEarth Shareholders a notice that states that the particular condition has been fulfilled.

6.8 How to accept

If you decide to accept the Offer, your acceptance must be received before the close of the Offer Period (currently scheduled to be 4.00pm (Brisbane time) on1 December 2025, unless extended in accordance with the Corporations Act).

You should read this Target's Statement and the Bidder's Statement before making a decision on whether to accept the Offer.

You may accept the Offer by completing and signing the Offer Acceptance Form enclosed with the Bidder's Statement in accordance with the instructions on the Offer Acceptance Form, and providing that document (together with any other documents, if any, required by the instructions on the Offer Acceptance Form) to HPP via the following methods:

Method	Address
Post	Computershare Investor Services Pty Limited GPO Box 52 Melbourne Victoria 3001 Australia

Email	corpactprocessing@computershare.com.au cc: corporate@hppgroup.com Subject: HPP RedEarth Takeover

If your RedEarth Shares are 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.

6.9 Effect of acceptance

If you accept the Offer, you will give up your right to accept any competing proposal in relation to RedEarth or otherwise deal with your RedEarth Shares, except in limited circumstances in which you exercise withdrawal rights that have become available (see **Section 6.10** of this Target's Statement).

However, you should ensure that, if you do wish to accept the Offer, you allow sufficient time for your acceptance to be processed before the end of the Offer Period.

Other consequences of accepting the Offer are set out in section 11.7 of the Bidder's Statement. You are encouraged to read section 11.7 of the Bidder's Statement in full. In particular, you should note that by accepting the Offer you will:

(a) be deemed to give HPP certain representations and warranties regarding your title to your RedEarth Shares;

(b) if the Offer becomes unconditional, appoint HPP and its directors, officers, agents and nominees, severally, as your attorney to exercise your rights in relation to your RedEarth Shares (including voting rights); and

(c) if the Offer becomes unconditional, agree not to attend or vote in person at any general meeting of RedEarth.

6.10 Your ability to withdraw your acceptance

If you accept the Offer, you will only have limited rights to withdraw your acceptance. You may only withdraw your acceptance of the Offer if HPP varies the Offer in a way that postpones, for more than one month, the time when HPP needs to meet its obligations under the Offer and the Offer is still conditional at that time. The earliest that withdrawal rights would become available under the Corporations Act would be if HPP extends the Offer Period by more than one month (i.e. beyond 1 January 2025) and the Offer is still subject to conditions at that time.

6.11 When will you receive your consideration if you accept the Offer?

HPP has stated in section 11.8 of the Bidder's Statement that, subject to certain qualifications referred to in that section, it will provide the consideration for your RedEarth Shares on or before the earlier of:

(a) if the Offer is unconditional when accepted, one month after the date you accept the Offer or, if the Offer is subject to a condition when accepted, one month after the date the takeover contract resulting from your acceptance of the Offer becomes unconditional; and

(b) 21 days after the end of the Offer Period.

6.12 Ineligible Foreign Shareholders

Ineligible Foreign Shareholders will not be entitled to receive HPP Shares as consideration for their RedEarth Shares. Instead, the relevant HPP Shares (which would otherwise be issued to Ineligible Foreign Shareholders) will be allotted to a nominee chosen by HPP who will sell the HPP Shares and will distribute to each of those Ineligible Foreign Shareholders the proceeds received (after deducting any applicable brokerage, stamp duty and other taxes and charges), calculated on an average basis per HPP Share so that all Ineligible Foreign Shareholders receive the same price per HPP Share (subject to rounding).

6.13 Effect of an improvement in the offered consideration

As required by the Corporations Act, if HPP improves the consideration offered under the Offer, all RedEarth Shareholders who accept the Offer, whether or not they have accepted the Offer before or after the improvement in consideration, will be entitled to the benefit of that improved consideration.

6.14 Implications of HPP reaching 90%

HPP has stated in section 6.2(d) of the Bidder's Statement that it intends to compulsorily acquire all remaining RedEarth Shares if HPP (with its Associates) has a Relevant Interest in at least 90% (by number) of RedEarth Shares during or at the end of the Offer Period.

If compulsory acquisition occurs, RedEarth will become wholly owned by the Bidder Group.

6.15 Compulsory acquisition

HPP will be entitled, under Part 6A.1 of the Corporations Act, to compulsorily acquire any RedEarth Shares in respect of which it has not received an acceptance under the Offer if, during or at the end of the Offer Period, HPP (together with its Associates) has a Relevant Interest in at least 90% (by number) of RedEarth Shares. Compulsory acquisition must occur on the same terms as the Offer, including as to the amount of consideration to be paid per RedEarth Share.

If this threshold is met, HPP will have up to one month after the end of the Offer Period within which to give compulsory acquisition notices to all RedEarth Shareholders who have not accepted the Offer, but it may choose to commence compulsory acquisition sooner if the threshold is satisfied at an earlier date. RedEarth Shareholders have certain statutory rights to challenge the compulsory acquisition. However, a successful challenge will require the relevant holder to establish to the satisfaction of a court that the consideration offered does not represent "fair value" for their RedEarth Shares.

If compulsory acquisition occurs, RedEarth Shareholders who have their RedEarth Shares compulsorily acquired should be aware that they are not likely to receive payment until at least one month after the compulsory acquisition notice is issued to them by HPP.

If HPP (with its Associates) has a Relevant Interest in at least 90% (by number) of RedEarth Shares at the end of the Offer Period, HPP must offer to buy out the remaining RedEarth Shareholders on the same terms as the Offer, even if, contrary to its stated intention, HPP does not seek to compulsorily acquire all remaining RedEarth Shares. If you do not accept the Offer and HPP is required to offer to buy out your remaining RedEarth Shares, HPP will be required to send you a notice informing you of your right to be bought out. You may

accept that offer within one month of HPP giving you the notice by notifying HPP in writing that you wish to have your RedEarth Shares bought out.

HPP has stated in section 6.2(d) of the Bidder's Statement that, HPP will proceeding with the compulsory acquisition of any outstanding RedEarth Shares if HPP becomes entitled to proceed to compulsory acquisition during or at the end of the Offer Period.

6.16 Later compulsory acquisition

Even if HPP does not satisfy the compulsory acquisition threshold by the end of the Offer Period, it is possible that HPP may, at some time after the end of the Offer Period, become entitled to rely on the general compulsory acquisition provisions of Part 6A.2 of the Corporations Act.

Under these provisions, HPP will become entitled to compulsorily acquire any outstanding RedEarth Shares if HPP (together with its Related Bodies Corporate) acquires full beneficial interest in at least 90% (by number) of all RedEarth Shares.

In that event, compulsory acquisition will occur if (among other things):

(a) HPP lodges a compulsory acquisition notice with ASIC within six months of satisfying the general compulsory acquisition threshold;

(b) HPP proposes a cash sum for the RedEarth Shares to be compulsorily acquired; and

(c) HPP obtains the report of an expert stating whether, in the expert's opinion, the terms proposed in the compulsory acquisition notice give a "fair value" for the RedEarth Shares to be compulsorily acquired.

In addition, HPP will need to obtain the approval of a court for the compulsory acquisition in the event that RedEarth Shareholders holding at least 10% of those remaining RedEarth Shares object to the acquisition.

6.17 Withdrawal of the Offer by HPP

In accordance with section 652B of the Corporations Act, the Offer may be withdrawn with the written consent of ASIC and subject to the conditions (if any) specified in such consent.

If HPP withdraws the Offer, RedEarth Shareholders will no longer be able to accept the Offer. In addition, if the Offer remains conditional at the time of the withdrawal, then the contracts formed by RedEarth Shareholders' acceptances of the Offer will be void and those RedEarth Shareholders will remain the holders of their RedEarth Shares. If the Offer is unconditional at the time of the withdrawal, all contracts arising from acceptance of the Offer before the withdrawal will remain enforceable.

7 Information regarding RedEarth

7.1 Overview of RedEarth

RedEarth is an unlisted public company limited by shares, incorporated and domiciled in Australia.

RedEarth is a vertically integrated Australian designer, engineer, assembler and manufacturer of advanced energy storage solutions.

RedEarth is strategically positioned as part of the global energy transition, addressing the rapidly growing demand for reliable, scalable, and cost-effective battery storage systems for residential, commercial, and industrial applications.

RedEarth's core mission is to empower energy consumers with independence from traditional grid infrastructure, facilitate the decarbonisation of the energy sector, and provide robust solutions for both on-grid and off-grid environments.

7.2 RedEarth's main business activities

RedEarth offers a unique range of Australian-made, residential and commercial energy storage solutions that service a variety of end-markets. A summary of RedEarth's offering is summarised below:

Type	Description	Products and Maximum Storage Capacity
Residential	• Enables storage of excess power generated through rooftop solar PV systems to reduce dependence on electricity grid for household and enterprise energy requirements • Reduces exposure to wholesale electricity prices and provides revenue generation opportunity through trading of electricity	• BlackMax (14 kWh) • Gecko (22 kWh) • BushChook (33 kWh) • Dingo 29.9 (360 kWh)
Commercial	• Battery energy storage for urban, rural and regional households and large-scale commercial operations enabling complete energy independence • Integrated standalone power systems for locations without grid access or off-grid properties wanting to reduce generator bills	• Dingo (360 kWh--1.2 MWh) • PowerOasis (8 MWh)
Battery (Individual cells for BESS scaling)	• Easy-to-install Australian-made battery using safe lithium-ion chemistry (lithium ferro phosphate)	• Troppo Batteries (4.1 kWh • Troppo Ultra Battery (5.6 kWh) • Vault Battery Enclosure • Vault-20 Battery Enclosure

7.3 RedEarth's Directors and senior management

The current directors and senior management of RedEarth are:

Name	Background
Charles Edwyn Walker – Non-Executive Director	Mr Walker is a Co-Founder of RedEarth. He was previously CEO of two ASX-listed biotech companies and has a background in technology investment banking, having advised clean-tech and life science companies. Mr Walker holds a Bachelor of Science (Honors) in Pharmacology from the University of Bristol and a Master of Business Administration (MBA) from Warwick Business School.
Trent Donnelly – Non-Executive Director	Mr Donnelly has more than 20 years' experience in financial services across accounting, corporate recovery, investment banking and asset management. He is currently Director of Private Capital at Ord Minnett and was previously Head of Corporate Finance. Mr Donnelly holds a Bachelor of Commerce, Masters of Applied Finance and previously qualified as a Chartered Accountant.
Campbell Sandison Hedley – Non-Executive Director	Mr Hedley has worked in Legal, Risk & Governance roles for over 20 years in some of Australia's largest companies in industries including Aviation, Recruitment & Talent Management, Finance and Corporate Agriculture as well as working with numerous not for profit and charitable entities. He has experience in both Australia and overseas, having spent 5 years in Hong Kong overseeing legal & risk across Asia. Mr Hedley is a qualified lawyer with a Graduate Diploma in Applied Corporate Governance.
Marc Sheldon – Chief Executive Officer	Mr Sheldon is an energy storage and distributed energy executive with global experience across software, renewables and infrastructure. He is leading RedEarth's repositioning as a platform energy company and the V2G innovation leader.
Brett Wayne – Chief Financial Officer	Mr Wayne is a strategic finance executive and chartered accountant with over 25 years experience in Australia and the UK in private and listed companies.
Derek Rogers – General Manager, Operations	Mr Rogers is an operation or manufacturing leader with over 20 years' experience including senior roles at Micro-X and GM Holden. He oversees RedEarth's end to end operations across production, procurement, quality and logistics.
Will Kozinski – Head of Customer Success	Mr Kozinski is a customer success specialist with a background at Amadeus and SwitchDin. He is responsible for RedEarth's customer

Name	Background
	onboarding, support infrastructure and end to end customer experience.
Thomas Bell – Head of Sales	Mr Bell is a sales executive with 16+ years in Australia's solar sector including leadership roles at Tech, Energus and RFI. He leads RedEarth's national go to market and channel strategy.
Peter Wezenbeek – Chief Technology Officer	Mr Wezenbeek is a control systems and data science expert, most recently chief scientist at Lumipol. He brings deep experience in embedded systems and power technology to lead RedEarth's research and development and product innovation.

7.4 Historical financial information

Basis of preparation

The historical financial information below relates to RedEarth on a stand-alone basis and does not reflect any impact of the Offer. It is an extract only.

The financial information provided for the financial year ended 30 June 2025 is unaudited.

RedEarth released its audited annual financial statements for the financial year ended 30 June 2024 on 31 October 2024. Full financial accounts, which include notes to the accounts, are contained in RedEarth's annual financial report for the financial year ended 30 June 2024.

Unaudited Statement of financial position
For the year ended 30 June 2025

	Unaudited 2025 $	Audited 2024 $
Assets		
Current assets		
Cash and cash equivalents	520,344	761,483
Trade and other receivables	568,849	639,776
Inventories	1,555,360	2,330,294
Other current assets	895,724	1,607,607
Total current assets	3,540,276	5,339,160
Non-current assets		
Property, plant and equipment	605,930	738,704
Right-of-use assets	622,741	409,083
Total non-current assets	1,228,671	1,147,787
Total assets	4,768,947	6,486,947
Liabilities		
Current liabilities		
Trade and other payables	3,011,194	3,802,299
Contract liabilities	1,772,250	1,111,088
Financial liabilities	2,525,568	35,448,196
Lease liabilities	269,352	267,541
Employee benefits	179,159	255,932
Provisions	248,591	103,091
Total current liabilities	8,006,114	40,988,147
Non-current liabilities		
Contract liabilities	301,574	354,281
Financial liabilities	5,680	5,375
Lease liabilities	352,913	189,766
Employee benefits	95,612	65,458
Provisions	1,201,131	792,571
Total non-current liabilities	1,956,910	1,407,451
Total liabilities	9,963,024	42,395,598
Net liabilities	(5,194,077)	(35,908,651)
Equity		
Issued capital	45,627,476	10,244,072
Share-based payments reserve	3,737,991	3,784,387
Accumulated losses	(54,559,544)	(49,937,110)
Total deficiency in equity	(5,194,077)	(35,908,651)

Unaudited Statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Unaudited 2025 $	Audited 2024 $
Revenue from operations	11,350,484	13,672,120
Cost of sales	(7,555,976)	(9,695,863)
Gross profit	3,794,508	3,976,257
Other income	572,520	369,903
Expenses		
Employee benefits expense	(3,938,781)	(4,344,772)
Marketing expenses	(325,464)	(868,664)
Net change in fair value of financial liabilities at fair value through profit or loss	(424,185)	(6,803,140)
Research expense	(1,004,109)	(1,075,688)
Transaction costs for convertible notes	(59,610)	(135,141)
Consulting expenses	(65,928)	(143,664)
Depreciation and amortisation expense	(483,935)	(410,581)
Impairment of assets	-	-
Finance costs	(630,317)	(125,667)
Other expenses	(2,057,131)	(1,501,779)
Loss before income tax expense	(4,622,432)	(11,062,936)
Income tax expense	-	-
Loss after income tax expense for the year attributable to the owners of Red Earth Energy Storage Limited	(4,622,432)	(11,062,936)
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year attributable to the owners of Red Earth Energy Storage Limited	(4,622,432)	(11,062,936)

Unaudited Statement of cash flows For the year ended 30 June 2025	Unaudited 2025 $	Audited 2024 $
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	13,164,916	16,263,057
Payments to suppliers and employees (inclusive of GST)	(14,749,103)	(17,692,432)
Interest received	360	5,163
Interest paid	(52,763)	(125,667)
R&D income tax incentive received	356,310	-
Net cash used in operating activities	(1,280,281)	(1,549,879)
Cash flows from investing activities		
Payments for property, plant and equipment	(105,711)	(45,016)
Proceeds from disposal of property, plant and equipment	-	16,364
Net cash used in investing activities	(105,711)	(28,652)
Cash flows from financing activities		
Proceeds from issue of shares	1,618,550	71
Proceeds from / (repayment of) borrowings	567,261	(16,260)
Net proceeds from issue of / (redemption of) convertible notes	(726,975)	100,000
Repayment of lease liabilities	(313,983)	(246,461)
Net cash (used in)/from financing activities	1,144,853	(162,650)
Net decrease in cash and cash equivalents	(241,139)	(1,741,181)
Cash and cash equivalents at the beginning of the financial year	761,483	2,502,664
Cash and cash equivalents at the end of the financial year	520,344	761,483

7.5 Material changes in financial position of RedEarth and other developments

To the knowledge of the RedEarth Directors, and except as disclosed in this Section 7.5 or elsewhere in this Target's Statement, the financial position and financial performance of RedEarth has not materially changed since the financial year ended 30 June 2025.

7.5.1 Shareholder Loans

Since 30 June 2025, RedEarth Shareholders who are lenders under the Syndicated Facility Agreement advanced a further $1,192,308 to RedEarth. RedEarth has agreed with those lenders that all outstanding amounts owed by RedEarth to those lenders under the Syndicated Facility Agreement will be converted to RedEarth Shares which will become effective and be implemented if:

- HPP makes the Offer; and
- the 'Minimum Acceptance' condition which applies to the Offer (as described in section 12.1(a) of the Bidder's Statement) would be satisfied if those fully paid ordinary shares in RedEarth were issued and accepted into the Offer.

The termination date of the Syndicated Facility Agreement was also extended to 31 March 2026.

7.5.2 HPP Loan

To support RedEarth's immediate working capital needs and preparation for the proposed takeover bid by HPP, HPP has provided RedEarth with interim funding totalling $2,500,000. RedEarth has agreed with HPP that all outstanding amounts owed by RedEarth to HPP under this facility will be converted to RedEarth Shares which will become effective and be implemented on the date that is three Business Days after the last to occur of:

- the date on which the RedEarth Shares are issued to the lenders under the Syndicated Facility Agreement (that is, after conversion of the debt under the Syndicated Facility Agreement to RedEarth Shares); and
- the date on which the 'Minimum Acceptance' condition which applies to the Offer (as described in section 12.1(a) of the Bidder's Statement) is satisfied or waived by HPP.

If the Offer is not completed, RedEarth will be required to repay HPP $2.5 million plus interest at the rate of 20% per annum.

7.5.3 Sub-division of RedEarth Preference Shares and Conversion to RedEarth Ordinary Shares

Following receipt of shareholder approval by RedEarth, on 8 October 2025, 101,044,745 Class A Preference Shares in the capital of RedEarth were converted into 34,052,079,065 Class A Preference Shares in the capital of RedEarth, with each Class A Preference Share being split into approximately 337 Class A Preference Shares but with aggregate holding of each shareholder being rounded down to the nearest whole number of shares.

After that sub-division, all 34,052,079,065 Class A Preference Shares in the capital of RedEarth were converted to RedEarth Shares on a basis of 1 to 1.

7.6 Issued capital of RedEarth

As at the date of this Target's Statement, RedEarth has approximately 264 shareholders and its share capital and agreements with rights of conversion to securities comprised:

Class	Number of securities	Fully diluted ownership
RedEarth Shares	34,080,149,529	80.35%
Options (issued pursuant to an Employee Option Plan adopted by RedEarth)	1,430,517	0.00%
Entitlement to 'Conversion Shares' under Syndicated Facility Agreement (see **Section 7.5.1**)	5,337,159,845	12.58%
Entitlement to 'Conversion Shares' under HPP Loan Agreement (See **section 7.5.2**)	2,994,740,599	7.06%

Class	Number of securities	Fully diluted ownership
Total	42,413,480,490	100%

7.7 Substantial holders

As at the date of this Target's Statement, the substantial holders of RedEarth Shares are as follows:

Name of substantial holder	Number of RedEarth Shares	Voting Power
Perpetual Corporate Trust Limited as agent for and on behalf of Ord Minnett Management Limited	10,158,856,575	29.81%
Perennial[3]	6,255,980,717	18.36%
Thorney[4]	3,907,568,920	11.47%

7.8 Litigation

RedEarth is not involved in any litigation or dispute which is material in the context of RedEarth and the Target Group taken as a whole.

[3] 3,256,308,332 shares are held by HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Value Emerging Companies Trust; 1,371,517,545 shares are held by HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Microcap Resources Trust; 814,077,420 shares are held by HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Global Resources Trust; and 814,077,420 are held by HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial value Micro Opportunities Trust.

[4] 1,953,784,460 shares are held by Thistle Custodians Pty Ltd; 1,660,716,791 shares are held by 58 Jarque Pty Ltd; and 293,067,669 shares are held by Jasforce Pty Ltd.

8 Profile of Merged Group

8.1 Introduction

HPP has prepared a profile of the Merged Group which appears at section 7 of the Bidder's Statement. The RedEarth Directors have reviewed the Merged Group profile and recommend that you read and carefully considering the information in section 7 of the Bidder's Statement.

8.2 Board of Merged Group

After completion of the Offer, the Board and senior management of the Merged Group will comprise:

- Albert Tse – Chair;
- Marc Sheldon – Managing Director;
- Hugh Robertson – Non-Executive Director;
- Trent Donnelly – Non-Executive Director
- Deane Conway – Company Secretary; and
- RedEarth executives Messrs Brett Wayne (Chief Financial Officer), Derek Rogers (General Manager, Operations), Will Kozinski (Head of Customer Success), Thomas Bell (Head of Sales) and Peter Wezenbeek (Chief Technology Officer)..

Details of the existing and proposed board of HPP, including biographical details, are set out in section 3.5 of the Bidder's Statement.

8.3 Capital structure of Merged Group

It is anticipated that, upon successful completion of the Offer, RedEarth Shareholders will own approximately 82.5% of the Merged Group on an undiluted basis.[5]

A description of the capital structure of the Merged Group, and the assumptions on which that description is based, is set out in section 7.2 of the Bidder's Statement.

8.4 Pro forma financial information for the Merged Group

Section 7.4 of the Bidder's Statement sets out a Merged Group pro-forma unaudited consolidated statement of financial position as at 30 June 2025 assuming the acquisition of RedEarth was completed on that date, together with:

- a description of the pro forma adjustments made; and
- the assumptions underlying the preparation of that financial statement.

[5] HPP currently has 25,000,000 options on issue. Please refer to section 4.1 of the Bidder's Statement for more information on those options. Any exercise of those options will decrease the RedEarth Shareholders' ownership proportion of the Merged Group.

9 Risk factors

The risk factors in this Section 9 are existing risks relating to RedEarth's business and the industry in which it operates. These risks will continue to be relevant to RedEarth Shareholders who do not accept the Offer and retain their current investment in RedEarth. The risks will also continue to be relevant to all RedEarth Shareholders if the Offer does not proceed (for example, because it does not become unconditional).

This Section 9 describes key, but not all, risks associated with an investment in RedEarth. This Section 9 does not take into account the investment objectives, financial situation, taxation position or particular needs of RedEarth Shareholders and is not exhaustive. Prior to deciding whether to accept the Offer, RedEarth Shareholders should carefully consider the risk factors discussed in this Section 9, as well as other information contained in this Target's Statement and, if in doubt, seek independent professional advice.

This Section should be read in conjunction with Section 6, which describes the implications to RedEarth Shareholders of the Offer proceeding in circumstances where HPP does not become entitled to compulsorily acquire all remaining RedEarth Shares.

9.1 General risk factors

The future prospects, operating and financial performance of RedEarth and the value of RedEarth Shares are affected by a variety of general business cycles, economic, global health and political factors in Australia and overseas, including economic growth, inflation, interest rates, employment levels, changes in government policies or regulatory regimes, changes in accounting or financial reporting standards, and changes in taxation laws (or their interpretation) or regulations in the markets in which RedEarth operates. Deterioration of the general economic conditions, adverse foreign exchange rate movements, the Australian and overseas stock markets, global health pandemics (such as COVID-19), natural disasters and catastrophic events may also affect RedEarth's operating and financial position.

9.2 Specific risks associated with accepting the Offer

(a) Possibility of a Superior Proposal emerging

If you accept the Offer, you will forgo the opportunity to benefit from any Superior Proposal by another party for your RedEarth Shares should such a proposal eventuate. As at the date of this Target's Statement, the RedEarth Board is not aware of a proposal by anyone to make a Superior Proposal.

(b) Limited withdrawal rights

As described in section 11.16 of the Bidder's Statement and Section 6.10 of this Target's Statement, you may only withdraw your acceptance of an Offer in limited circumstances.

(c) Taxation consequences

Acceptance and subsequent implementation of the Offer may result in taxation consequences for you.

Section 10 of this Target's Statement sets out a general summary of the Australian taxation consequences for RedEarth Shareholders of accepting the Offer. The application of tax laws to RedEarth Shareholders will be dependent on particular

facts and circumstances and accordingly it is strongly encouraged that RedEarth Shareholders obtain their own independent taxation advice.

9.3 Risks associated with holding HPP Shares in a Merged Group

If you accept the Offer (and the Offer becomes unconditional) you will become a shareholder in HPP. The Merged Group will, moving forward, be subject to a range of risks.

Section 8 of the Bidder's Statement sets out the risks that RedEarth Shareholders may face when investing in HPP Shares. You should read that Section of the Bidder's Statement carefully and in full, and if in doubt, seek independent professional advice.

You should also read Section 9.5 of this Target's Statement which sets out risks that RedEarth Shareholders face of the Offer is unsuccessful, as a number of these risks will also apply to the Merged Group if the Offer is successful.

9.4 Risks associated with not accepting the Offer if the Offer is successful

If you decide not to accept the Offer and remain a RedEarth Shareholder (and assuming the Offer is completed but your RedEarth Shares are not compulsorily acquired), the outcome of the Offer may be that HPP controls or is a major shareholder of RedEarth and you are a minority RedEarth Shareholder. If this occurs:

(a) the liquidity of your RedEarth Shares may be reduced;

(b) if HPP acquires more than 50% but less than 90% of RedEarth Shares, it will be able to cast the majority of votes at a general meeting of RedEarth, which will enable it to control the RedEarth Board and senior management, determine RedEarth's dividend policy and control the strategic direction of RedEarth; and

(c) it HPP acquires 75% or more of RedEarth Shares, it will be able to pass special resolutions of RedEarth, which could enable HPP to amend RedEarth's constitution.

9.5 Risks associated with being a RedEarth Shareholder if the Offer is unsuccessful

There are various risks associated with continuing to hold RedEarth Shares if the Offer is unsuccessful. Some of these risks are of a more general nature that apply to any investment in a public unlisted company, while others are specific to the industry in which RedEarth operates or are specific to RedEarth.

Some of those specific risks are summarised below.

(a) General economic conditions

Changes in the general economic climate in which RedEarth operates may adversely affect its financial performance. Factors that may contribute to that general economic climate include but not are but not limited to:

- general economic conditions;
- changes in, or introduction of, Government policies, taxation and other laws;
- the strength of the capital markets in Australia and throughout the world;
- movement in, or outlook on, exchange rates, interest rates and inflation rates;

- industrial disputes in Australia and overseas;
- changes in investor sentiment toward particular market sectors;
- increases in expenses (including the cost of goods and services used by RedEarth);
- financial failure or default by an entity with which RedEarth may become involved in a contractual relationship; and
- outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease or other natural or man-made events.

(b) Liquidity risk

RedEarth is not listed on the ASX and its shares do not trade on the ASX. RedEarth shares are illiquid and as such there can be no guarantee that there will be an active market for RedEarth's shares. There may be few buyers or sellers at any given time and the demand for RedEarth's shares is subject to various factors, many of which are beyond RedEarth's control.

(c) Funding risk

RedEarth may seek to raise additional capital in the future to fund its growth, product development, working capital requirements, or expansion initiatives. Such funding may be sought through equity or debt financing, joint ventures, strategic partnerships, or other means.

There can be no assurance that additional capital will be available when required or available on terms favourable to RedEarth. If RedEarth is unable to secure sufficient funding, it may be required to delay, scale back, or cease certain activities or growth initiatives, which could adversely impact its business strategy and financial performance.

Future equity issuances may also dilute existing shareholders' interests, while debt financing could impose restrictive covenants or repayment obligations that limit financial flexibility. Adverse market conditions, changes in investor sentiment, or underperformance relative to expectations could further constrain RedEarth's ability to access capital.

(d) Early stage and revenue risk

RedEarth is an early-stage business that has historically been loss-making. As of the date of this Target's Statement, RedEarth has not yet generated a profit, with its current operations reflecting a net use of cash. RedEarth's ability to achieve sustained revenue and profitability depends on successful execution of its business plan.

There is no guarantee that RedEarth will be able to generate sufficient revenue to cover its costs within the expected timeframes or at all. Delays in product rollout, market adoption or product technology innovation could extend the period before profitability is achieved.

(e) Product and performance risk

RedEarth's products are subject to risks associated with design defects, component failures, or performance shortfalls. Any material defects or non-performance could result in warranty claims, product recalls, or contractual penalties, potentially leading to increased costs and reputational damage.

In addition, underperformance of products in the field may impact customer satisfaction, future sales, and brand perception. While RedEarth employs rigorous testing, quality assurance, and supplier management processes, there can be no assurance that all product or performance issues will be identified prior to deployment or that remediation costs will not adversely affect RedEarth's financial position.

(f) Business execution risk

RedEarth maintains a pipeline of commercial opportunities at varying stages of maturity, including near-term sales from backlog orders, deals progressing toward close, active customer engagements, and formal proposals under consideration. RedEarth's financial performance is dependent on its ability to successfully convert these opportunities into confirmed sales and, ultimately, recognised revenue. There can be no assurance that these opportunities will be converted into sales on acceptable terms, within anticipated timeframes, or at all. Failure to achieve expected conversion rates may adversely affect RedEarth's cash flow, financial performance, and overall business outlook.

The delivery of complex Battery Energy Storage System (BESS) projects, particularly in the commercial and industrial (C&I) sector, requires rigorous project management discipline. Coordination across design, procurement, provisioning, and commissioning phases introduces multiple interdependencies that, if not tightly managed, can result in scope creep, cost overruns, and missed delivery timelines. Ineffective project governance or resource allocation could erode margins, damage customer confidence, and impact working capital.

RedEarth currently operates with negative operating cash flow, as operating expenses exceed revenue. RedEarth's revenue is influenced by the timing and completion of product sales and project implementations, some of which depend on actions or approvals from customers or third parties. Delays, cancellations, or reduced demand could result in slower-than-expected revenue realisation or project deferrals, placing additional pressure on working capital and liquidity.

(g) Commercialisation risk

RedEarth's ability to generate revenue and achieve profitability depends on successfully commercialising its products in competitive markets. There is a risk that RedEarth may encounter delays or difficulties in scaling production, securing customers, or achieving market acceptance for new products. Factors such as changing market conditions, customer preferences, pricing pressures, and technological advances by competitors could impact the successful adoption of RedEarth's products. Failure to effectively commercialise products could materially affect its growth prospects, financial performance, and ability to attract further investment.

(h) Technology obsolescence risk

The energy storage industry is characterised by rapid technological advancement and evolving product standards. There is a risk that new or emerging technologies could render RedEarth's existing products less competitive or obsolete if it fails to continuously enhance product performance, efficiency, or cost-effectiveness.

Competitors, particularly well-capitalised Chinese technology entrants, may introduce innovations or alternative storage solutions at scale and lower cost, which could outperform or reduce demand for RedEarth's products. If RedEarth is unable to anticipate or respond effectively to such technological shifts, its market position, growth prospects, and financial performance could be materially adversely affected.

(i) Manufacturing risk

RedEarth's manufacturing operations carry inherent risks, including machinery breakdowns, substandard materials or workmanship, employee-related issues, workplace health and safety incidents, and damage from events such as floods or fires. Disruptions to production could materially affect RedEarth's ability to meet customer requirements, increase the risk of claims, and negatively impact its expansion plans, operational performance, and financial results.

RedEarth's revenue and profitability depend on achieving high production yields and scaling manufacturing to meet anticipated demand. If market demand grows more slowly than expected or does not align with RedEarth's manufacturing capacity, it may be unable to achieve economies of scale, which could adversely affect operating results. Similarly, failure to maintain consistent product quality could harm customer relationships, damage reputation, and reduce sales.

RedEarth uses a combination of insourced and outsourced manufacturing to balance scalability, cost efficiency, and quality control while mitigating risks. The outsourced component, including imports from China, introduces additional risks related to delivery schedules, quality assurance, production yields, and costs. Defects, contamination, or other manufacturing issues could result in product rejections or failures in the field, reducing yields and limiting RedEarth's ability to supply sufficient batteries to meet customer demand.

(j) Regulatory and compliance risk liability

The BESS industry is heavily influenced by government incentives, safety regulations, and grid connection standards. Changes to programs such as the Cheaper Home Batteries Program, Battery Breakthrough Initiative, or ARENA funding criteria could materially affect demand and market economics. Similarly, evolving technical regulations (e.g. AS/NZS 4777, IEEE 2030.5, or local DNSP requirements) can impose additional compliance costs or delay market entry.

RedEarth's products involve the use of hazardous substances in their manufacture and assembly. The storage, handling, transport, and disposal of these materials are subject to stringent regulatory requirements in each jurisdiction where RedEarth operates. RedEarth is also required to comply with applicable product standards and safety regulations related to the manufacture, installation, and operation of its energy storage systems. In Australia, for example, RedEarth must adhere to dangerous goods regulations governing the storage and handling of batteries.

There is a risk that RedEarth may fail to fully comply with these regulatory obligations or that changes to laws or standards could impose additional compliance requirements. Non-compliance could result in penalties, legal claims, or restrictions on operations, while the costs of ensuring compliance may exceed expectations and adversely affect financial performance. Regulatory challenges may also limit RedEarth's ability to access certain markets, delay product launches, or require modifications to products or operations, potentially affecting revenue growth and business expansion.

(k) Supply chain risk liability

RedEarth relies on a global supply chain for key components of its products, including materials sourced from China. Disruptions in supply, delays in delivery, quality issues, or increases in costs could impact production schedules and product availability. Geopolitical conflicts, such as those in Ukraine and Gaza, may further disrupt global logistics, increase shipping costs, or create delays in the supply of critical materials.

Additionally, fluctuations in foreign exchange rates can affect the cost of imported components, potentially increasing production expenses. Any sustained supply chain disruptions or cost volatility could adversely affect RedEarth's ability to meet customer demand, achieve revenue targets, and maintain profitability.

(l) Warranty risk and product liability

Consistency in product performance and compliance with safety and regulatory standards is fundamental to maintaining brand reputation and market access.

- Quality and Reliability: Variability in component quality or assembly processes can result in premature failures, warranty claims, and customer dissatisfaction.
- Safety and Compliance: As lithium-based BESS systems carry inherent electrical and thermal hazards, non-compliance with standards such as IEC 62619 may expose the business to risks of fire, injury, property damage, and regulatory penalties.

RedEarth provides warranties on its to cover defects in materials, workmanship, and performance over specified periods. There is a risk that products may fail to perform as intended due to design flaws, manufacturing defects or unforeseen operational conditions. If such failures occur, RedEarth could be required to repair, replace, or refund products under warranty, which may result in significant costs and negatively impact financial performance.

In addition to warranty obligations, RedEarth faces potential product liability claims arising from the use of its products. This includes claims related to property damage, personal injury, or environmental harm caused by product malfunction, fire, or other safety incidents.

Any warranty or product liability claims, particularly if they are large, frequent, or publicised, could damage RedEarth's reputation, reduce customer confidence, and affect RedEarth's ability to secure future sales or enter new markets. Moreover, regulatory investigations or litigation resulting from product failures could result in substantial legal costs and operational disruptions.

(m) Intellectual property and patent risk liability

RedEarth's business relies in part on proprietary technology, trade secrets, and patents to maintain a competitive edge in the energy storage market. There is a risk that it's intellectual property (IP) rights may be challenged, infringed upon, or circumvented by competitors. Failure to adequately protect or enforce IP rights could result in the loss of exclusivity, allowing competitors to use similar technologies and potentially reducing RedEarth's market share and profitability.

RedEarth may also face claims of infringement or misappropriation from third parties, which could lead to costly litigation, damages, or injunctions preventing the sale or use of its products. Even if such claims are without merit, defending against them can divert management attention, increase legal expenses, and negatively affect RedEarth's reputation.

Additionally, there is a risk that patents or IP rights held by RedEarth may not provide sufficient protection against new or emerging technologies. Changes in patent law, limitations in patent enforceability across different jurisdictions, or delays in obtaining patent approvals could expose it to competitive pressures. Any inability to secure, maintain, or enforce IP rights could materially affect RedEarth's ability to commercialise its products, attract investment, and achieve growth objectives.

(n) Reverse engineering and trade secret risk

RedEarth relies on proprietary technology, know-how, and confidential processes in the design, manufacturing, and operation of its products. There is a risk that competitors could reverse engineer it's products or otherwise discover its confidential information, enabling them to replicate or develop competing technologies. Such reverse engineering could diminish the competitive advantage RedEarth derives from its innovations and potentially reduce market share or profitability.

Similarly, RedEarth's trade secrets may be vulnerable to unauthorised disclosure, theft, or misuse. Breaches could occur through employee departures, cybersecurity incidents, or third-party partners and suppliers. Loss or misappropriation of trade secrets could result in competitors gaining access to key knowledge, undermining the value of RedEarth's proprietary technology.

While RedEarth implements measures to safeguard its trade secrets, there is no guarantee these measures will be fully effective. Any failure to protect proprietary information could negatively impact RedEarth's competitive position, harm its reputation, limit its ability to secure new business, and adversely affect financial performance and growth prospects.

(o) Competition risk

RedEarth operates in a highly competitive market that includes both established international manufacturers and emerging domestic providers. Increased competition, particularly from well-capitalised Chinese battery and energy storage system producers with lower manufacturing costs and significant scale, may exert downward pressure on pricing, margins, and market share.

(p) Dividends

There is no guarantee as to future earnings of RedEarth will be profitable at any time in the future, and there is no guarantee that RedEarth will be in a financial position to pay dividends at any time in the future.

(q) Key Personnel risk

RedEarth's success depends on the expertise, experience, and continuity of its key management, technical, and operational personnel. The loss of one or more key employees could disrupt business operations, delay product development, or affect strategic decision-making. Recruiting and retaining skilled personnel in a competitive market may be challenging, and the inability to attract or retain key staff could adversely impact its growth, operational performance, and financial results.

(r) Climate change risk

Climate-related factors may materially affect RedEarth's operations and proposed activities. These include the emergence of new or expanded regulations associated with the transition to a lower-carbon economy and market changes related to climate change mitigation. RedEarth may be impacted by changes to local or international compliance requirements, including regulations, taxation, or penalties relating to carbon emissions or environmental damage. Such regulatory changes could increase operating costs, require modifications to products or processes, or limit access to certain markets.

In addition, climate change may give rise to physical and environmental risks that cannot be fully predicted or controlled. These include the increased frequency and severity of extreme weather events, such as floods, bushfires, and storms, which could disrupt manufacturing, supply chains, or the performance of deployed energy storage systems. These physical risks, together with evolving regulatory and market pressures, could adversely affect RedEarth's operational performance, financial results, and long-term growth prospects.

(s) Insurance risk

RedEarth is subject to a number of operational risks and may not be adequately insured for certain risks, including industrial and transportation accidents, catastrophic accidents, changes in the regulatory environment, natural occurrences or technical failures.

(t) Tax law risk

RedEarth's operations are subject to complex and evolving tax laws. Changes in tax legislation, interpretations by tax authorities, or the disallowance of claims could increase RedEarth's tax liabilities or reduce available tax benefits. In particular, RedEarth's reliance on research and development (R&D) tax incentives carries the risk that eligibility criteria or rebate amounts may change, claims may be challenged, or reimbursements may be delayed, which could adversely affect the RedEarth's cash flow, financial performance, and growth prospects.

(u) Franking of dividends

There is no guarantee that RedEarth will have sufficient franking credits in the future to fully frank dividends or that the franking system will not be varied or abolished. The value and availability of franking credits to a shareholder will depend on their particular tax circumstances and shareholders should seek independent professional advice.

Shareholders should be aware that the ability to use franking credits, as a tax offset or to claim a refund after the end of the income year will depend on the individual tax position of each Shareholder.

(v) Changes in taxation laws and policies

Tax laws are in a continual state of change which may affect RedEarth.

There may be tax implications arising from ownership of the shares, the receipt of franked and unfranked dividends (if any) from RedEarth, receiving returns of capital and the disposal of shares.

Changes to tax laws may adversely affect RedEarth's financial performance and/or the returns achieved by investors. Dividends paid to certain investors may not be recognised as frankable by the ATO.

(w) Force majeure

RedEarth's operations, including the manufacturing, delivery, and installation of its products, may be disrupted by events beyond its control, or "force majeure" events. These events may include natural disasters such as floods, fires, storms, earthquakes, or extreme weather, as well as pandemics, strikes, labour disputes, political instability, civil unrest, or acts of terrorism. Such occurrences could delay or halt production, impact supply chains, or prevent RedEarth from fulfilling contractual obligations.

Force majeure events may also affect RedEarth's customers, suppliers, or logistics providers, compounding potential operational and financial impacts. While contracts may include force majeure provisions that limit liability, there is no assurance that these provisions will fully protect RedEarth from losses or claims arising from delayed or incomplete performance.

Significant or prolonged force majeure events could adversely impact RedEarth's ability to meet project timelines, generate revenue, or maintain customer relationships. Additionally, the financial costs associated with mitigating, responding to, or recovering from such events may be substantial, potentially affecting the RedEarth's cash flow, profitability, and growth objectives.

(x) Litigation risk

RedEarth may be subject to legal proceedings, claims, or disputes arising from its operations, products, contracts, employment practices, intellectual property, or regulatory compliance. Litigation, whether meritorious or not, can be costly, time-consuming, and disruptive to business operations. Defending against claims or pursuing legal action may divert management attention, resources, and capital away from RedEarth's core activities.

In addition to direct costs, litigation can have reputational consequences. Adverse judgments, settlements, or regulatory actions could result in financial liabilities, operational restrictions, or changes to business practices. As such, litigation risk could materially affect RedEarth's financial position, growth prospects, and ability to execute its strategic objectives.

10 Taxation considerations

10.1 Introduction

The comments provided below are necessarily general in nature and do not purport to be a complete analysis for the potential tax consequences of the Offer to RedEarth Shareholders.

The comments provided below are based on Australian tax laws, regulations and administrative practices in effect as at the date of this Target's Statement. RedEarth Shareholders should be aware that any changes (with either prospective or retrospective effect) to the Australian tax laws, regulations or administrative practices may affect the taxation consideration outlined in this summary.

This summary is not intended to be an authoritative or complete statement of the law applicable to the particular circumstances of every RedEarth Shareholder and is not intended to be advice and should not be relied on as such. Each RedEarth Shareholder should seek independent professional advice in relation to their own particular circumstances and the comments below are not a substitute for obtaining advice from an appropriate professional advisor having regard to each RedEarth Shareholder's particular circumstances.

The categories of RedEarth Shareholders considered in this summary are limited to individuals, companies (other than insurance companies), trusts and complying superannuation entities that hold their RedEarth Shares on capital account for Australian tax purposes. The tax comments outlined in this summary are not applicable to all RedEarth Shareholders. In particular, this summary does not consider the tax consequences for entities who:

- hold their RedEarth Shares as a revenue asset (i.e., entities who acquired their RedEarth Shares for the purposes of resale at a profit) or as trading stock;
- are partnerships or individuals who are partners of such partnerships;
- are Australian tax residents and hold their RedEarth Shares in the course of carrying on a business at or through a permanent establishment outside of Australia;
- acquired their RedEarth Shares under, or in connection with, an employee share plan and/or other employee incentive arrangements;
- obtained roll-over relief in connection with the acquisition of their RedEarth Shares or acquired them via inheritance or gift;
- are not Australian tax residents and who hold their RedEarth Shares in the course of carrying on a business at or through a permanent establishment in Australia;
- may be subject to special tax rules, such as financial institutions, insurance companies, tax exempt organisations, certain trusts (except where expressly stated), superannuation funds (except where expressly stated), dealers in securities and/or RedEarth Shareholders that may be entitled to early stage investor tax incentives in relation to their RedEarth Shares;
- are subject to the Investor Management Regime under Subdivision 842-I of the *Income Tax Assessment Act 1997* (Cth) ('ITAA 1997') in respect of their RedEarth Shares;
- are 'temporary residents' as that term is defined in section 955-1(1) of the ITAA 1997;
- have changed their tax residence whilst holding RedEarth Shares; or
- are under a legal disability.

This summary does not take into account the tax laws of countries other than Australia. RedEarth Shareholders who are tax residents of a country other than Australia (whether or not they are also residents, or are temporary residents, of Australia for tax purposes) should

take into account the tax consequences under the laws of their country of residence, as well as under Australian law, of the Offer.

The comments are based on the Australian tax law and our understanding of the practice of the tax authorities as at the time of issue of this document. The laws are complex and subject to change periodically as is the interpretation by the courts and the tax authorities. RedEarth has not sought to obtain a ruling from the Australian Taxation Office ('ATO') and therefore there is a risk that the ATO may not agree with this summary or aspects of it.

10.2 Australian resident shareholders

This section applies to RedEarth Shareholders who are residents of Australia for Australian income tax purposes.

(a) RedEarth Shareholders who accept the Offer

Acceptance of the Offer will involve the disposal by RedEarth Shareholders of their RedEarth Shares to HPP. Capital Gains Tax ('CGT') event A1 should arise for RedEarth Shareholders who dispose of their RedEarth Shares pursuant to the Offer. The CGT event happens at the time when the RedEarth Shareholder accepts the Offer.

(b) Compulsory acquisition

If a RedEarth Shareholder does not dispose of their RedEarth Shares under the Offer and their RedEarth Shares are subsequently compulsorily acquired, those RedEarth Shareholders should also be treated as having disposed of their RedEarth Shares, giving rise to CGT event A1 on the date of disposal.

(c) Calculation of gross capital gain or capital loss

The following tax consequences are expected to arise for RedEarth Shareholders who dispose of their RedEarth Shares to HPP:

- a capital gain will be realised to the extent the capital proceeds received by the RedEarth Shareholder from the disposal of their RedEarth Shares exceed the cost base of those shares; or
- a capital loss will be realised to the extent the capital proceeds received by the RedEarth Shareholder from the disposal of their RedEarth Shares are less than the reduced cost base of those shares.

Capital losses can only be offset against capital gains derived in the same income year or later income years. Specific loss recoupment rules apply to companies and trusts which must be satisfied if capital losses are to be used in future years.

RedEarth Shareholders should seek their own tax advice in relation to the operation of these rules.

(d) Capital proceeds received by RedEarth Shareholders

The capital proceeds from the disposal of the RedEarth Shares should be an amount equal to the value of the "HPP Offer Consideration" received by the RedEarth Shareholder, determined at the time of the CGT event.

(e) Cost base and reduced cost base of a RedEarth Share

The cost base of a RedEarth Share will generally include the cost of acquiring that RedEarth Share, plus certain incidental costs of acquisition and disposal, such as brokerage fees. The cost base of certain shares held by some RedEarth Shareholders may need to be adjusted for any capital reductions previously received by RedEarth in respect of those shares.

(f) CGT discount

A CGT discount may apply to RedEarth Shareholders who are individuals, complying superannuation entities or trusts, who have held, or are taken to have held, their RedEarth Shares for at least 12 months (not including the date of acquisition or the date of disposal) at the time of the disposal of their RedEarth Shares to HPP. The CGT discount is:

- 50% if the RedEarth Shareholder is an individual or a trustee of a trust (other than a complying superannuation entity); and
- 33.33% if the RedEarth Shareholder is a trustee of a complying superannuation entity.

The CGT discount is not available to RedEarth Shareholders that are companies or RedEarth Shareholders who have held their RedEarth Shares for less than 12 months.

If a RedEarth Shareholder makes a discounted capital gain, any current year and/or carried forward capital losses may be applied to reduce the gross capital gain before the relevant CGT discount is applied (subject to the satisfaction of the relevant loss recoupment rules). The resulting amount after applying the CGT discount is then included in the RedEarth Shareholder's net capital gain for the income year and included in assessable income (pending application of any scrip-for-scrip CGT rollover relief, as outlined below).

The CGT discount rules relating to trusts are complex. We recommend trustees seek their own independent advice on how the CGT discount applies to them and the trust's beneficiaries.

10.3 Scrip-for-scrip CGT rollover relief

If the Offer results in HPP becoming the holder of 80% of more of the RedEarth Shares, eligible RedEarth Shareholders who accept the Offer or whose RedEarth Shares are compulsory acquired may be eligible to choose scrip-for-scrip CGT rollover relief under Subdivision 124-M of the ITAA 1997 in respect of the disposal of their RedEarth Shares.

Scrip-for-scrip CGT rollover relief may not be available to foreign tax residents whose RedEarth Shares are not "taxable Australian property".

If a scrip-for-scrip CGT rollover relief is available and chosen, RedEarth Shareholders would defer any capital gains arising on the disposal of their RedEarth Shares.

Where a RedEarth Shareholder has chosen scrip-for-scrip CGT rollover relief, the cost base of the replacement HPP Shares received is deemed to be equal to the cost base or reduced cost base of their original RedEarth Shares that were exchanged for the HPP Shares. RedEarth Shareholders will be deemed to have acquired the HPP Shares on the date their RedEarth Shares were originally acquired for CGT discount purposes.

If scrip-for-scrip CGT rollover relief is not available or chosen, the RedEarth Shareholder should include in their net capital gain calculation for the income year in which the CGT event for the disposal of their RedEarth Shares occurs, the entire capital gain realised by them on the disposal of their RedEarth Shares.

Scrip-for-scrip rollover relief is not applicable where the disposal results in a capital loss for a RedEarth Shareholder as a result of disposing their RedEarth Shares.

RedEarth Shareholders who choose for scrip-for-scrip CGT rollover relief to apply to the disposal of their RedEarth Shares should ensure their income tax return for the relevant income year is prepared in a manner consistent with their choice.

Where the Offer does not result in HPP becoming the holder of 80% or more of the RedEarth Shares, no RedEarth Shareholders who disposed of their RedEarth Shares under the Offer should be eligible for scrip-for-scrip CGT rollover relief.

The benefit of choosing scrip-for-scrip CGT rollover relief (if applicable) is dependant on each RedEarth Shareholder's own circumstances. RedEarth Shareholders should seek independent professional tax advice having regard to their particular circumstances.

All RedEarth Shareholders are considered "common stakeholders" for the purposes of the scrip-for-scrip CGT rollover relief provisions. On this basis, RedEarth Shareholders wishing to choose rollover are deemed to have made a "joint choice" with HPP to that effect, as detailed in the Bidder's Statement. Under this "joint choice", the relevant RedEarth Shareholder must notify HPP of the cost base of the shares in respect of which the "joint choice" is made.

10.4 Foreign tax resident shareholders

This section applies to RedEarth Shareholders who are not residents of Australia for Australian income tax purposes (i.e. foreign tax residents).

Foreign tax resident RedEarth Shareholders who hold their RedEarth Shares on capital account should not be subject to the CGT rules in Australia on the disposal of their RedEarth Shares if they and their associates hold, or are entitled to acquire, less than 10% of all RedEarth Shares (i.e. they do not hold, nor are entitled to acquire, a 'non-portfolio interest' in RedEarth) or less than 50% of the value of the RedEarth Shares is derived from "Australian real property" (referred to as the 'principal asset' test).

Foreign RedEarth Shareholders should seek independent professional advice in relation to their own particular circumstances, including in respect of taxation in the jurisdiction where they are resident.

10.5 Foreign Resident CGT Withholding Rules

Under Australia's foreign resident capital gains withholding regime, HPP may have an obligation to withhold an amount equal to 15% of the consideration paid to relevant RedEarth Shareholders ('**FRCGW Amount**') and remit that amount to the ATO. This withholding requirement can apply to transactions involving the acquisition of certain indirect interests in Australian real property from relevant non-residents.

Broadly, a non-resident RedEarth Shareholder's interest in RedEarth would constitute an 'indirect Australian real property interest' if their RedEarth Shares are both a 'non-portfolio interest' and the 'principal asset' test was passed.

HPP, in co-operation with RedEarth, may seek to clarify the status of particular RedEarth Shareholders and require these RedEarth Shareholders to provide HPP with:

- a Declaration that they are an Australian tax resident or that their RedEarth Shares are not an "indirect Australian real property interest" ('**Declaration Form**'); or
- a notice of variation granted by the ATO varying the amount or rate of tax to be withheld ('**Variation Notice**').

RedEarth Shareholders who are asked to complete a Declaration Form must return their signed Declaration Form, declaring that they are and will be an Australian tax resident at the time of the Offer or that the RedEarth Shares they hold are not 'indirect Australian real property interests' by the date specified in the correspondence included with the Declaration Form. RedEarth Shareholders who are asked to complete a Declaration Form may choose to instead return a Variation Notice to HPP.

Unless a signed Declaration Form or Variation Notice is provided to HPP for these RedEarth Shareholders, HPP may withhold the FRCGW Amount from the consideration payable to the RedEarth Shareholder and remit this amount to the Commissioner of Taxation. It is noted that the FRCGW Amount is not a final tax and may be credited against the actual tax liability of a foreign tax resident RedEarth Shareholder. Any consideration payable to the RedEarth Shareholder will not be increased to reflect the deduction and the amount payable to the RedEarth Shareholder will be taken to be in full and final satisfaction of the amounts owing to the RedEarth Shareholders.

It is noted that RedEarth has determined that currently it is not expected that more than 50% of the market value of RedEarth's assets is attributable to direct or indirect interest in "taxable Australian real property" and as such, the RedEarth Shares should not be considered to be "indirect Australian real property interests" for Australian tax purposes.

10.6 Goods and Services Tax (GST)

No GST should be payable by RedEarth Shareholders on the disposal of their RedEarth Shares under the Offer.

RedEarth Shareholders who are registered for GST may be entitled to reduced input tax credits for GST incurred on costs associated with the disposal of their RedEarth Shares.

10.7 Stamp Duty

No stamp duty should be payable in any Australian State or Territory by the RedEarth Shareholders on the disposal of their RedEarth Shares.

11 Other important information

11.1 Bid Implementation Agreement

On 28 August 2025, RedEarth entered into a Bid Implementation Agreement with HPP.

A summary of the key terms of the Bid Implementation Agreement was attached to HPP's announcement to the ASX on 28 August 2025 and a summary of the key terms of the Bid Implementation Agreement is contained in section 10.1 of the Bidder's Statement.

11.2 Pre-bid acceptance deeds and shareholder intention statements

HPP has received pre-bid acceptance deeds from the RedEarth Pre-Bid Acceptance Shareholders in respect of RedEarth Shares representing approximately 18.9% of the total issued RedEarth Shares. Under the pre-bid acceptance deeds, RedEarth Pre-Bid Acceptance Shareholders have agreed, in the absence of a Superior Proposal, to accept the Offer for all the RedEarth Shares they hold within 10 Business Days after the Offer becomes open (being 14 November 2025).

Additionally, the RedEarth Major Shareholders, who represent approximately 59.6% of RedEarth's Shares, have advised RedEarth that, in the absence of a Superior Proposal, they intend to accept the Offer for all the RedEarth Shares they hold.

The RedEarth Pre-Bid Acceptance Shareholders and the RedEarth Major Shareholders have consented to their pre-bid acceptance deeds and shareholder intention statements, respectively, being disclosed in this document.

11.3 RedEarth's Directors' interests in RedEarth Shares

As at the date of this Target's Statement, the RedEarth Directors have Relevant Interests in the following RedEarth Shares:

RedEarth Director	Number of RedEarth Shares in which the RedEarth Director has a Relevant Interest
Charles Edwyn Walker	1,302,214,628

Note: RedEarth Shares may be held either directly or indirectly by a RedEarth Director.

The effect of the Offer on the interests in RedEarth Shares held by the RedEarth Directors will be no different from the effect on the like interests of other persons.

11.4 RedEarth Directors' dealings in RedEarth Shares

No RedEarth Director has acquired or disposed of any Relevant Interest in RedEarth Shares in the four-month period ending on the date immediately before the date of this Target's Statement, other than Charles Edwyn Walker who acquired RedEarth Shares in connection with the resolutions passed by RedEarth Shareholders on 8 October 2025 regarding:

- the sub-division of 101,044,745 Class A preference shares previously on issue in the capital of RedEarth into 34,052,079,065 Class A preference shares; and
- a conversion of debt owed to Charles and Melissa Walker as trustees for the Walker Family Trust involving the issue of 979,179,212 new RedEarth Shares.

11.5 RedEarth Directors' interests in Bidder Group securities

As at the date of this Target's Statement, none of the RedEarth Directors have a Relevant Interest in any securities in any member of the Bidder Group, including HPP.

11.6 RedEarth Directors' dealings in Bidder Group securities

No RedEarth Director acquired or disposed of a Relevant Interest in any securities in HPP or a member of the Bidder Group in the four-month period ending on the date immediately before the date of this Target's Statement.

11.7 Benefits and agreements

11.7.1 Directorships

As at the date of this Target's Statement, none of the RedEarth Directors are directors or officers of HPP or any member of the Bidder Group.

Under the Bid Implementation Agreement, after the Offer becomes unconditional, HPP must procure the recomposition of the board of HPP so that it includes (among others) Trent Donnelly (assuming Trent Donnelly consents to such appointment).

11.7.2 Benefits in connection with retirement from office

No person has or will as a result of the Offer be given any benefit (other than a benefit which can be given without RedEarth Shareholder approval under the Corporations Act) in connection with the retirement of that person, or someone else, from a board or managerial office of RedEarth.

11.7.3 Benefits from the Offer

Subject to approval of the board of directors of HPP, it is proposed that Trent Donnelly will be paid $50,000 (inclusive of superannuation) in connection with his appointment as a director of HPP. Trent Donnelly has advised that he intends to direct this payment to Ord Minnett Management Limited as trustee for the Ord Minnett Private Opportunities Trust. Please refer section 10.12 of the Bidder's Statement for further information on the proposed remuneration of directors of HPP (including Trent Donnelly).

Other than as set out above in respect of Trent Donnelly, no RedEarth Director has agreed to receive, or is entitled to receive, any benefit from HPP or a member of the Bidder Group which is conditional on, or is related to, the Offer, other than in their capacity as a holder of RedEarth Shares.

11.7.4 Interests of RedEarth Directors in contracts with Bidder Group

Except as described in this **Section 11.7** of this Target's Statement, none of the RedEarth Directors has any interest in any contract entered into by HPP or a member of the Bidder Group.

11.8 Consents

11.8.1 Consents to be named

The following parties have given and have not, before the date of this Target's Statement, withdrawn their consent to be named in this Target's Statement in the form and context in which they are named:

(a) Kain Lawyers, as Australian legal adviser to RedEarth; and

(b) Coterie Capital, as financial adviser to RedEarth.

11.8.2 Disclaimers

Each person referred to in this Section 11.8.1:

(a) has not authorised or caused the issue of this Target's Statement;

(b) does not make, or purport to make, any statement in this Target's Statement or any statement on which a statement in this Target's Statement is based other than as specified in this Section 11.8; and

(c) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement except in respect of those reports or statements to which they have consented as specified in this Section 11.8.

11.9 Consents not required

This Target's Statement contains statements which are made in, or based on statements made in, documents lodged with ASIC or ASX. Pursuant to *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the consent of the parties making those statements is not required for the inclusion of those statements in this Target's Statement.

As required by *ASIC Corporations (Takeover Bids) Instrument 2023/683*, RedEarth Shareholders may request a copy of those documents during the Offer Period free-of-charge by contacting RedEarth.

Additionally, as permitted by *ASIC Corporations (Consent to Statements) Instrument 2016/72*, this Target's Statement may include or be accompanied by certain statements:

(a) fairly representing a statement by an official person; or

(b) from a public official document or a published book, journal or comparable publication.

Pursuant to *ASIC Corporations (Consent to Statements) Instrument 2016/72*, the consent of such persons to whom statements or documents are attributed is not required for the inclusion of those statements in this Target's Statement.

11.10 No other material information

This Target's Statement is required to include all the information that RedEarth Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer, but:

(a) only to the extent to which it is reasonable for investors and their professional advisers to expect to find this information in this Target's Statement; and

(b) only if the information is known to any RedEarth Director.

The RedEarth Directors are of the opinion that the information that RedEarth Shareholders and their professional advisers would reasonably require to make an informed assessment whether to accept the Offer is the information contained in:

(a) the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);

(b) HPP's releases to the ASX, and in the documents lodged by HPP with ASIC, before the date of this Target's Statement; and

(c) the information contained in this Target's Statement.

The RedEarth Directors have assumed, for the purposes of preparing this Target's Statement, that the information in the Bidder's Statement is accurate (unless they have expressly indicated otherwise in this Target's Statement). However, the RedEarth Directors do not take any responsibility for the contents of the Bidder's Statement and are not to be taken as endorsing, in any way, any or all statements contained in it.

In deciding what information should be included in this Target's Statement, the RedEarth Directors have had regard to:

(a) the nature of the RedEarth Shares;

(b) the nature of the Offer;

(c) the matters that RedEarth Shareholders may reasonably be expected to know in relation to RedEarth, the Bidder Group and the Offer;

(d) the fact that certain matters may reasonably be expected to be known to RedEarth Shareholders' professional advisers; and

(e) the time available to RedEarth to prepare this Target's Statement.

12 Definitions and interpretations

12.1 Definitions

In this Target's Statement, unless the context otherwise requires:

$, A$ or AUD	means Australian dollars.
Agent	means the agent under the Syndicated Facility Agreement from time to time who at the date of this Target's Statement is Ord Minnett Management Limited.
ASIC	means the Australian Securities and Investments Commission.
Associate	has the meaning given to it in Division 2 of Part 1.2 of the Corporations Act.
ASX	means, as the context requires, ASX Limited (ABN 98 008 624 691) or the securities market conducted by ASX Limited.
Bid Implementation Agreement	means the Bid Implementation Agreement between RedEarth and HPP dated 28 August 2025.
Bidder Group	means Bidder and each of it Related Entities.
Bidder's Statement	means the replacement bidder's statement issued by HPP dated 29 October 2025, which replaced the original bidder's statement dated 24 October 2025.
Business Day	means a day on which the banks are open for business in Brisbane excluding a Saturday, Sunday or public holiday.
Competing Proposal	means any proposal or transaction which, if entered into or completed, would mean a Third Party would: (a) directly or indirectly acquire a Relevant Interest in, become the holder of, or otherwise have a right to acquire a legal, beneficial or economic interest in, or control of, 20% or more of the share capital of RedEarth or any of RedEarth's Subsidiaries; (b) acquire Control of RedEarth or any of RedEarth's Subsidiaries; (c) acquire (whether directly or indirectly) or become the holder of, or otherwise have a right to acquire, a legal, beneficial or economic interest in, or control of, all or a material part of the business or assets of RedEarth or any of RedEarth's Subsidiaries; (d) otherwise acquire or merge (including by a reverse takeover bid or dual listed RedEarth structure) with RedEarth; or (e) require HPP to abandon, or otherwise fail to proceed with, the Offer, provided that a Competing Proposal will not include any transaction required or permitted to be done or procured by RedEarth to be done pursuant to the Bid Implementation Agreement, any Finance Document or the Offer, or the transactions contemplated by any of them.

Conditions Notice Date	means the date on which a notice under section 630(3) of the Corporations Act must be given in relation to the Offer.
Control	has the meaning given to that term in section 50AA of the Corporations Act.
Corporations Act	means the *Corporations Act 2001* (Cth).
Fairly Disclosed	means disclosure of a fact, matter, circumstance if sufficient information has been disclosed in the Disclosure Material (as defined in the Bid Implementation Agreement) that a reasonable acquirer of a business similar to the business conducted by RedEarth would be able to identify the nature, scope and financial significance of the relevant fact, matter, event or circumstance.
Finance Documents	means: (a) the Syndicated Loan Documents; (b) the HPP Loan Documents; and (c) any other document agreed in writing by the parties to be a Finance Document.
HPP or **Bidder**	means Health and Plant Protein Group Limited ACN 010 978 800.
HPP Group	means HPP and each of its Subsidiaries.
HPP Loan Agreement	means the Facility Agreement between HPP and RedEarth dated 29 August 2025.
HPP Loan Documents	means: (a) the HPP Loan Agreement; (b) a General Security Agreement between RedEarth and HPP dated 29 August 2025; and (c) the Intercreditor Deed between HPP, the Agent, the Security Trustee and RedEarth dated 29 August 2025.
HPP Share	means a fully paid ordinary share in the capital of HPP.
Ineligible Foreign Shareholder	means a RedEarth Shareholder whose address in the register of members maintained by RedEarth is: (a) a place outside of Australia and its external territories and New Zealand; or (b) a jurisdiction that HPP determines (in its absolute discretion) that it is lawful, not unduly onerous and not unduly impracticable to make the Offer to that RedEarth Shareholder in the relevant jurisdiction and to issue HPP Shares to that Ineligible Foreign Shareholder, on the completion of the Offer, is lawful for that Ineligible Foreign Shareholder to participate in the Offer by the law of the relevant jurisdiction.
Material Adverse Change	means an event, occurrence or matter which individually or when aggregated with all such events, occurrences or matters diminish, or could reasonably be expected to diminish net profit contemplated in the 'Red Earth Budget' (as defined in the Bid Implementation Agreement) by $1,250,000 or more, other than an event, occurrence or matter required to be done or procured by RedEarth pursuant to

	the Bid Implementation Agreement or the Offer or Fairly Disclosed by RedEarth.
Merged Group	means the HPP Group following its acquisition of all or a majority of the RedEarth Shares.
Offer	means the offer by HPP to each RedEarth Shareholder to acquire all of their RedEarth Shares on the terms and conditions set out in the Bidder's Statement.
Offer Period	means the period during which the Offer will remain open for acceptance.
Option	means an option to acquire by way of issue any share in RedEarth.
Perennial	means each of: (a) HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Value Emerging Companies Trust; (b) HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Microcap Resources Trust; (c) HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Global Resources Trust; and (d) HSBC Custody Nominees (Australia) Limited as Custodian for Perennial Investment Management Limited as trustee for Perennial Value Micro Opportunities Trust.
PPSA	means the *Personal Property Securities Act 2009* (Cth) as amended, supplemented or affected by any other applicable legislation of the Commonwealth, or any State or Territory, of Australia.
Prescribed Occurrence	means any of the following: (a) RedEarth converting all or any of its shares into a larger or smaller number; (b) RedEarth or a Subsidiary of RedEarth resolving to reduce its share capital in any way or reclassifying, combining, splitting or redeeming or repurchasing directly or indirectly any of its shares; (c) RedEarth or a Subsidiary of RedEarth: (i) entering into a buy-back agreement; or (ii) resolving to approve the terms of a buy-back agreement under the Corporations Act; (d) RedEarth or a Subsidiary of RedEarth issuing shares, securities or other instruments convertible into shares, debt securities or granting an option over its shares, or agreeing to make such an issue or grant such an option; (e) RedEarth or a Subsidiary of RedEarth making any change or amendment to its constitution; and (f) an Insolvency Event (as defined under the Bid Implementation Agreement) occurring in relation to RedEarth or a Subsidiary of RedEarth,

	but excluding a matter: (g) that has been Fairly Disclosed by RedEarth; (h) required or permitted to be done or procured by RedEarth to be done pursuant to the Bid Implementation Agreement, any Finance Document (as defined under the Bid Implementation Agreement) or the Offer or the transactions contemplated by any of them; (i) required by law or by an order of a court or Public Authority (as defined under the Bid Implementation Agreement); or (j) HPP has previously approved in writing.
RedEarth or **Target**	means Red Earth Energy Storage Limited ACN 163 828 920.
RedEarth Board	means the board of directors of RedEarth.
RedEarth Director	means a director of RedEarth.
RedEarth Major Shareholders	means: **Name** / **RedEarth Shares** Perpetual Corporate Trust Limited as agent for and on behalf of Ord Minnett Management Limited — 10,158,856,575 Perennial — 6,255,980,717 Thorney — 3,907,568,920
RedEarth Pre-Bid Acceptance Shareholders	means: **Name** / **RedEarth Shares** Ranjenco Pty Ltd — 634,392,727 Barry Charlton and Wendy Charlton — 249,199,731 Wright Private Capital Pty Ltd — 704,880,995 D Woods Investment Pty Ltd — 140,976,199 Daniel Benedict Wallis — 352,440,329 MCIV Super Pty Ltd — 490,256,942 Leptis Magna Pty Ltd — 4,693,957

Warruga Holdings Pty Ltd	352,440,329
Non Correlated Capital Pty Ltd (Altor Alpha Fund)	275,310,322
Non Correlated Capital Pty Ltd (Lucerne Select Alpha Fund)	244,729,485
Houbi Holdings Pty Ltd	296,280,058
W Donnelly Service Pty Ltd	281,952,398
Enicuff Pty Ltd	49,341,518
Namascas Pty Ltd	35,244,134
Fedele Assets Pty Ltd (Super Fund 1)	35,244,134
Fedele Assets Pty Ltd (Super Fund 2)	42,292,826
Gary Lee Suckling and Linda Margaret Lawson	35,244,134
Hillmartin Investments Pty Ltd	84,585,652
IROCH Pty Ltd	35,244,134
Kendaliti Pty Ltd	35,244,134
LBT Investments Pty Ltd	70,487,931
P Nathaniel Pty Ltd	28,195,105
P&K Property Investments Pty Ltd	70,487,931
PA Wilbur Pty Ltd	35,244,134
Widetrans Pty Ltd	42,292,826
Zejiva Pty Ltd	49,341,518

	NDPM Pty Ltd	366,538,050
	Beppe Super Pty Ltd (Pake Superannuation Fund)	70,487,931
	Mr Cyril Vas	35,244,134
	Carpenders Park Pty Ltd (Staff Super Fund)	35,244,134
	Relay (Australia) Pty Ltd (The Relay Trust (Australia))	1,253,614,907

RedEarth Register	means the register of members of RedEarth.
RedEarth Share	means a fully paid ordinary share in the capital of RedEarth.
RedEarth Shareholder	means a person who is recorded in the RedEarth Register as a holder of one or more RedEarth Shares.
RedEarth Shareholding	means a holding of one or more RedEarth Shares.
Related Body Corporate	has the meaning given in the Corporations Act.
Related Entity	of a party (**first entity**) means another entity which is: (a) related to the first entity within the meaning of section 50 of the Corporations Act; (b) in any consolidated entity (as defined in section 9 of the Corporations Act) which contains the first entity; or (c) any trust of which the first entity or an entity described in paragraph (a) or (b) above is a trustee.
Relevant Interest	has the meaning given to that term in section 608 and 609 of the Corporations Act.
Security Interest	means: (a) a security interest that is subject to the PPSA; (b) a mortgage, charge, pledge, lien, hypothecation, power of attorney or title retention arrangement, a right of set-off or right to withhold payment of a deposit or other money, a notice under section 255 of the *Income Tax Assessment Act 1936* (Cth), subdivision 260-A in schedule 1 to the *Taxation Administration Act 1953* (Cth) or any similar legislation; (c) any deposit of moneys by any person with any other person under any agreement where: (i) those moneys are payable to or withdrawable by that person upon condition that that person or any third party must perform any other liability of that person or any third party to the other person; or (ii) that other person stipulates for or is entitled to claim any right of set-off under an express agreement with

	that person, excluding any right arising by operation or implication of any law or banking custom or usage; or (d) any other interest or arrangement of any kind that secures the payment of money or the performance of an obligation or which gives a creditor priority over unsecured creditors in relation to any property; or (e) an agreement to create any of them or to allow any of them to exist.
Security Trustee	means the security trustee under the Red Earth Security Trust from time to time who at the date of this Target's Statement is Ord Minnett Management Limited.
Subsidiary or **Subsidiaries**	has the meaning given in section 9 of the Corporations Act.
Superior Proposal	means a bona fide Competing Proposal which, the RedEarth Board, acting in good faith, and after taking advice from its legal and financial advisers, determine: (a) is reasonably capable of being valued and completed, taking into account all aspects of the Competing Proposal, including the nature of the Competing Proposal, the conditions associated with the Competing Proposal and the likelihood of those conditions being satisfied, and the person or persons making it; and (b) would, if completed substantially in accordance with its terms, be more favourable to RedEarth Shareholders than the Offer, taking into account all terms and conditions of the Competing Proposal.
Syndicated Facility Agreement	means the Syndicated Facility Agreement between RedEarth and Dragonfly Envirocapital Pty Ltd ACN 623 521 317 dated or 24 June 2024 as amended by a First Deed of Amendment entered into between RedEarth, the Agent and the Security Trustee (among others) dated 13 March 2025, a Second Deed of amendment between RedEarth, the Agent and the Security Trustee (among others) dated 21 July 2025, a Third Deed of Amendment between RedEarth, the Agent and the Security Trustee (among others) dated 27 August 2025, a Fourth Deed of amendment dated 29 August 2025 and as further as amended, supplemented, varied or replaced from time to time.
Syndicated Loan Documents	means: (a) the Syndicated Facility Agreement; and (b) the security trust deed between Dragonfly Envirocapital Pty Ltd ACN 623 521 317 as trustee for the Red Earth Security Trust, Dragonfly Envirocapital Pty Ltd ACN 623 521 317, the Agent and the Security Trustee dated 27 June 2024, as amended by a Deed of retirement and appointment of Agent and Security Trustee entered into on or about 28 February 2025 and as further as amended, supplemented, varied or replaced from time to time.
Target Group	means RedEarth and its Related Bodies Corporate.

Target's Statement	means this document, being the statement of RedEarth under Division 3 of Part 6.5 of the Corporations Act.
Third Party	means a person other than RedEarth, HPP or any of their Associates.
Thorney	means each of: (a) Thistle Custodians Pty Ltd; (b) 58 Jarque Pty Ltd; and (c) Jasforce Pty Ltd

12.2 Interpretation

Unless the context otherwise requires:

(a) headings used in this Target's Statement are inserted for convenience and do not affect the interpretation of this Target's Statement;

(b) words or phrases defined in the Corporations Act have the same meaning in this Target's Statement;

(c) a reference to a Section is a reference to a section of this Target's Statement;

(d) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;

(e) the singular includes the plural and vice versa;

(f) the word "person" includes an individual, a firm, a body corporate, a partnership, a joint venture, an unincorporated body or association, or any government agency; and

(g) a reference to time is a reference to time in Brisbane, Australia.

13 Authorisation

This Target's Statement has been approved by a resolution passed by the directors of Red Earth Energy Storage Limited ACN 163 828 920.

Signed for and on behalf of Red Earth Energy Storage Limited ACN 163 828 920:



Trent Donnelly
Chair
Red Earth Energy Storage Limited

14 Corporate directory

Registered office
15 Fienta Place
Darra Queensland 4076

Directors
Trent Donnelly
Charles Edwyn Walker
Campbell Sandison Hedley

Company secretary
Campbell Sandison Hedley

Legal Adviser
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Level 27, Chifley Tower
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Sydney New South Wales 2000

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