

4 December 2013

www.gloryresources.com.au

Manager of Company Announcements
Australian Securities Exchange
Level 6, 20 Bridge Street
Sydney NSW 2000

By E-Lodgement

Target's Statement

Attached by way of service pursuant to item 14 of section 633(1) of the *Corporations Act 2001* (Cth), is a copy of the target's statement of Glory Resources Limited (ASX: GLY) (**Glory Resources**) in response to the off-market takeover bid by Eldorado Gold Coöperatief UA (an indirect wholly owned subsidiary of Eldorado Gold Corporation) for all the ordinary shares in Glory Resources.

Yours faithfully

Glory Resources Ltd

BOARD

Jason Bontempo
Jeremy Wrathall
Bernard Aylward
Lui Giuliani

COMPANY SECRETARY

Pip Leverington

CORPORATE INFORMATION

Shares on issue	224m
Options on issue	29.5m
Cash	\$2.2m

SAPES GOLD PROJECT

Resources
830koz @ 10g/t Au

Reserves
637koz @ 15g/t

REGISTERED OFFICE

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West Leederville WA 6007

POSTAL ADDRESS

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West Leederville WA 6901

CONTACT DETAILS

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SHARE REGISTRY

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Ground Floor
178 St Georges Terrace
Perth WA 6000
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ASX CODE

GLY



Target's Statement

prepared by

Glory Resources Limited

ABN 38 142 870 102

in relation to the off-market takeover bid by

Eldorado Gold Coöperatief UA (Commercial Register No. 53699351), an indirect wholly owned subsidiary of Eldorado Gold Corporation

to acquire your fully paid ordinary shares in Glory Resources Limited.

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

ACCEPT

the takeover offer from Eldorado Gold Coöperatief UA

Shareholders can contact the Glory Resources Shareholder Information Line on 1300 552 878 (within Australia) or +61 8 6160 4906 (outside Australia) at any time between 8.30am and 5.30pm (Perth time) on Monday to Friday or at glory@magnus.net.au if they require assistance.

This is an important document and requires your immediate attention. If you are in any doubt about what to do, you should contact your legal, financial or other professional adviser as soon as possible. If you have recently sold all of your Shares, please disregard this document.



Azure Capital

Financial Advisers



LAWYERS

Legal Adviser

Important notices

Nature of this document

This is the Target's Statement dated 4 December 2013 given by Glory Resources Limited (ABN 38 142 870 102) under Part 6.5 Division 3 of the Corporations Act in response to the off-market takeover bid made by Eldorado Gold Coöperatief UA ("**Eldorado**"), an indirect wholly owned subsidiary of Eldorado Gold Corporation for all of the Shares not already held by it.

A copy of this Target's Statement was lodged with ASIC and given to ASX on 4 December 2013. Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Target's Statement.

Defined terms

Capitalised terms used in this Target's Statement are defined in Section 7. The rules of interpretation that apply to this Target's Statement are also set out in Section 7.

Investment decisions

This Target's Statement does not take into account your individual investment objectives, financial situation or particular needs. It does not contain personal advice. The Glory Resources Directors encourage you to seek your own independent legal, financial and taxation advice before deciding whether or not to accept the Offer.

Forward-looking statements

This Target's Statement may contain forward-looking statements, including statements of current intention or expectation. As such forward-looking statements relate to future matters, they are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause actual results, performance or achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by such forward-looking statements. Glory Resources and its directors, officers and advisers give no representation, assurance or guarantee to Shareholders or any other person that any forward-looking statements will actually occur or be achieved.

Disclaimer as to information

The information on Eldorado contained in this Target's Statement has been prepared by Glory Resources using publicly available information (including information contained in the Bidder's Statement) and has not been independently verified by Glory Resources. Accordingly, subject to the Corporations Act, Glory Resources does not make any representation or warranty (express or implied) as to the accuracy or completeness of such information.

Diagrams

Diagrams appearing in this Target's Statement are illustrative only and may not be drawn to scale. Unless stated otherwise, all data contained in charts, graphs and tables is based on information available at the date of this Target's Statement.

Rounding

A number of figures, amounts, percentages, prices, estimates, calculations of value and fractions in this Target's Statement are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Target's Statement.

Foreign jurisdictions

The distribution of this Target's Statement may, in some jurisdictions outside Australia, be restricted by law or regulation. Accordingly, persons outside Australia who come into possession of this Target's

Statement should inform themselves of, and observe, those 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 laws and regulations outside Australia.

Privacy

Glory Resources has collected your information from the register of Shareholders for the purpose of providing you with this Target's Statement. The type of information Glory Resources has collected about you includes your name, contact details and information on details of your shareholding in Glory Resources. Your information may be disclosed on a confidential basis to Glory Resources' related bodies corporate and external service providers (such as the share registry of Glory Resources and print and mail providers) and may be required to be disclosed to regulators such as ASIC and ASX.

Internet

Glory Resources maintains an internet site. The Glory Resources internet site is <http://www.gloryresources.com.au/>. Information contained in, or otherwise accessible through, this internet site does not form part of this Target's Statement. All references in this Target's Statement to the Glory Resources internet site are inactive textual references and are for your information only.

Glory Resources Shareholder Information Line

If you have any queries regarding the Offer or this Target's Statement, please contact the Glory Resources Shareholder Information Line on 1300 552 878 (within Australia) or +61 8 6160 4906 (outside Australia) at any time between 8.30am and 5.30pm (Perth time) on Monday to Friday, or at glory@magnus.net.au.

Important dates

Date of this Target's Statement	4 December 2013
Date of the Offer	22 November 2013
Last date to give notice regarding Conditions (unless the Offer is extended)	13 December 2013
Close of the Offer (unless extended or withdrawn)	23 December 2013

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Eldorado's Offer

Eldorado is offering seventeen cents (\$0.17) **CASH** for every one (1) of your Glory Resources Shares.

The Directors of Glory Resources unanimously recommend, in the absence of a superior proposal that you **ACCEPT** the Eldorado offer.

You can **ACCEPT** the Eldorado offer by carefully following the instructions in the Bidder's Statement and completing the Acceptance Form enclosed with the Bidder's Statement, prior to expiry of the Offer Period.

The Eldorado offer expires at 4.00pm (WST) on 23 December 2013, unless extended or withdrawn

Reasons to Accept

Reasons to **ACCEPT** the Eldorado offer:

- Shareholders are being offered a significant premium to the pre-announcement share price of Glory Resources shares and the average trading price over a range of time periods
- The Offer provides Shareholders with certainty of value in cash consideration in the current volatile equity and gold markets
- The Offer eliminates the risk associated with continued uncertainty related to Glory Resources' Sapes Gold Project ("Sapes")
- No Superior Proposal has emerged as at the date of this Target's Statement
- The Offer provides Shareholders with immediate liquidity for their Shares in a stock that historically has had low liquidity
- If the Offer is not successful, Glory Resources will need to raise further capital, which may result in dilution for existing Shareholders

Chairman's letter to Shareholders

4 December 2013

Dear Shareholder

On 31 October 2013, Glory Resources announced that it had entered into a Bid Implementation Agreement with Eldorado in respect of an off-market takeover offer under which Eldorado will acquire all of the fully paid ordinary shares in Glory Resources it does not currently own.

Under the terms of the Offer, Glory Resources Shareholders will, subject to the fulfilment of the conditions of the Offer, be entitled to receive A\$0.17 cash per fully paid ordinary share in Glory Resources. This represents a significant premium of 42% to the previous closing price of Glory Resources' Shares and an even greater premium of 134% to the previous 30 day volume weighted average price ("VWAP") of Glory Resources' Shares. Eldorado will also be making an offer in respect of the outstanding Options of the company.

The Board of Directors of Glory Resources has carefully considered the Offer and unanimously recommend that you **ACCEPT** the Offer, in the absence of a Superior Proposal. In reaching their conclusion, the Directors weighed up the benefits of the Offer, which are detailed in Section 2 of this Target's Statement, against a number of opposing factors including the current state of equity and gold markets, the relative low liquidity in Glory Resources' shares, the risk associated with continued permitting uncertainty at Sapes and the very low probability of a competing offer for Glory Resources emerging.

On 10 October 2013, Glory Resources received an unsolicited non-binding indicative proposal (the "Proposal") from its major Shareholder, Eldorado, detailing an off-market takeover offer for the Shares in Glory Resources that it did not already own.

During the weeks immediately following receipt of the Proposal, Glory Resources proceeded to negotiate with Eldorado to secure more favourable terms for its Shareholders, in regards to both offer value and conditions, while also evaluating at that time a number of alternatives that may have provided a better outcome for Glory Resources Shareholders. The Directors are confident that the final outcome reached from the negotiations with Eldorado is the best proposition for Shareholders to consider.

The Glory Resources Board strongly recommends that you read this Target's Statement in its entirety in conjunction with the Bidder's Statement you have received from Eldorado. The Bidder's Statement includes full details of the terms of the Offer, information about Eldorado and a description of Eldorado's intentions in relation to Glory Resources. You should consider whether or not to accept the Offer having regard to your own investment objectives, financial situation and tax position and, if in any doubt about what to do, you should consult your independent legal, financial or other professional adviser. For further details of the Directors' recommendation and matters to consider in deciding whether or not to accept the Offer, please refer to Section 2.

The Offer is scheduled to close on 23 December 2013, unless extended or withdrawn. If you wish to accept the Offer you should follow the instructions in the Bidder's Statement and on the Acceptance Form. However, Shareholders who accept the Offer will not be able to trade their Shares and may only withdraw their acceptance in the circumstances described in Section 3.4.

The Directors of Glory will keep Shareholders informed of any material developments in relation to the Offer through releases to the ASX (which will also be published on Glory Resources' website at www.gloryresources.com.au). A list of frequently asked questions is set out in Section 3 of this Target's Statement. After reading this document, if you have any questions about the Offer, please call the Glory Shareholder Information Line on 1300 552 878 (within Australia) or +61 8 6160 4906 (outside Australia) at any time between 8.30am and 5.30pm (WST) on Monday to Friday, or at glory@magnus.net.au.

Yours sincerely

Jeremy Wrathall
Chairman, Glory Resources Limited

1 Overview of the Offer

The Offer	<p>Eldorado is offering to acquire all of your Shares. You may only accept the Offer in respect of all of the Shares registered in your name at the date your Acceptance Form is processed.</p> <p>For full details of the terms of the Offer, please refer to section 9 of the Bidder's Statement. For information regarding Eldorado, please refer to section 3.8 and section 3 of the Bidder's Statement. For a description of Eldorado's intentions in relation to Glory Resources, please refer to section 6 of the Bidder's Statement.</p>
Cash Payments	<p>If you accept the Offer and the Offer becomes unconditional, you will receive \$0.17 cash per Share.</p> <p>For further details, please refer to sections 3.14 and 3.16.</p>
Offer Period	<p>Unless the Offer is extended or withdrawn, it is open for acceptance until 4pm (WST) 23 December 2013.</p> <p>The circumstances in which Eldorado may extend the Offer Period or withdraw the Offer are set out in sections 3.3 and 3.4.</p>
Options Offer	<p>Eldorado is making separate offers to acquire all of the Options issued by Glory Resources. All of the Options are unlisted options.</p> <p>The Options Offer is conditional on:</p> <ul style="list-style-type: none"> • the Share Offer becoming, or being declared, unconditional; • the ASX granting Glory Resources a waiver from ASX Listing Rule 6.23, or the shareholders of Glory Resources giving any necessary approvals under ASX Listing Rule 6.23; • in respect of the Options subject to ASX escrow restrictions expiring on 23 December 2013, either: <ul style="list-style-type: none"> – those escrow restrictions expiring; or – ASX granting Glory Resources and each relevant Option holder consent for those Options to be cancelled prior to 23 December 2013; and • any other required securities regulatory approval being granted, in relation to the Options Offer. <p>For details of the terms of the Options Offer, please refer to section 6.3 and section 8.4 of the Bidder's Statement.</p>
Recommendation	<p>The Glory Resources Directors unanimously recommend that you accept the Offer, in the absence of a Superior Proposal.</p> <p>Those Glory Resources Directors who hold or control Shares intend to accept the Offer, in the absence of a Superior Proposal.</p> <p>The reasons for the Glory Resources Directors' unanimous recommendation are set out in section 2.2. Risks and other matters to consider when deciding</p>

	whether to accept the Offer are set out in section 4.8.
Conditions	<p>There are certain Conditions to the Offer, which are set out in full in Section 9.</p> <p>For information regarding the status of the Conditions, please refer to Section 3.19. For a description of what happens if any Condition is not satisfied or waived, please refer to Section 3.20.</p>
Your choices as a Shareholder	<p>Accept the Offer</p> <p>You may choose to accept the Offer.</p> <p>Details of how to accept the Offer are set out in section 2 of the Bidder's Statement and on the Acceptance Form.</p> <p>If you accept the Offer:</p> <ul style="list-style-type: none"> • unless withdrawal rights are available (see Section 3.4) and you exercise those rights, you will be unable to sell your Shares on market or otherwise deal with your Shares, including by accepting any Superior Proposal (should any such proposal emerge); and • your Shares will not be transferred to Eldorado until after the Offer becomes unconditional. <p>The reasons for the Glory Resources Directors' recommendation that you accept the Offer, in the absence of a Superior Proposal and otherwise on the basis described above (see 'Recommendation'), together with risks and other matters to consider in deciding whether to accept the Offer, are set out in section 2.3.</p> <p>Sell Shares on market</p> <p>If you have not already accepted the Offer, you may sell some or all of your Shares on the ASX for the market price at the time. If you sell your Shares on market you may incur a brokerage charge and you will lose the ability to accept the Offer or any Superior Proposal that may emerge. If you sell some of your Shares on market, you can accept the Offer for the balance of your Shares.</p> <p>Reject the Offer by doing nothing</p> <p>If you do not wish to accept the Offer or sell your Glory Resources shares on market, you can retain your stake in Glory Resources by doing nothing. For information regarding certain risks associated with rejecting the Offer by doing nothing, including the risk that your Shares will be compulsorily acquired, please refer to section 6.8.</p> <p style="text-align: center;">*** **</p> <p>The Glory Resources Directors encourage you to consider your personal risk profile, investment objectives and tax and financial circumstances before making any decision in relation to your Shares.</p>

2 Recommendation and matters to consider in deciding whether to accept the Offer from Eldorado

2.1 Unanimous recommendation of the Offer by the Board of Directors of Glory Resources

The Board of Directors of Glory Resources unanimously recommends that you **ACCEPT** the Offer from Eldorado, in the absence of a Superior Proposal. All members of the Glory Resources Board have advised that they intend to accept the Offer with respect to their own shareholdings, in the absence of a Superior Proposal.

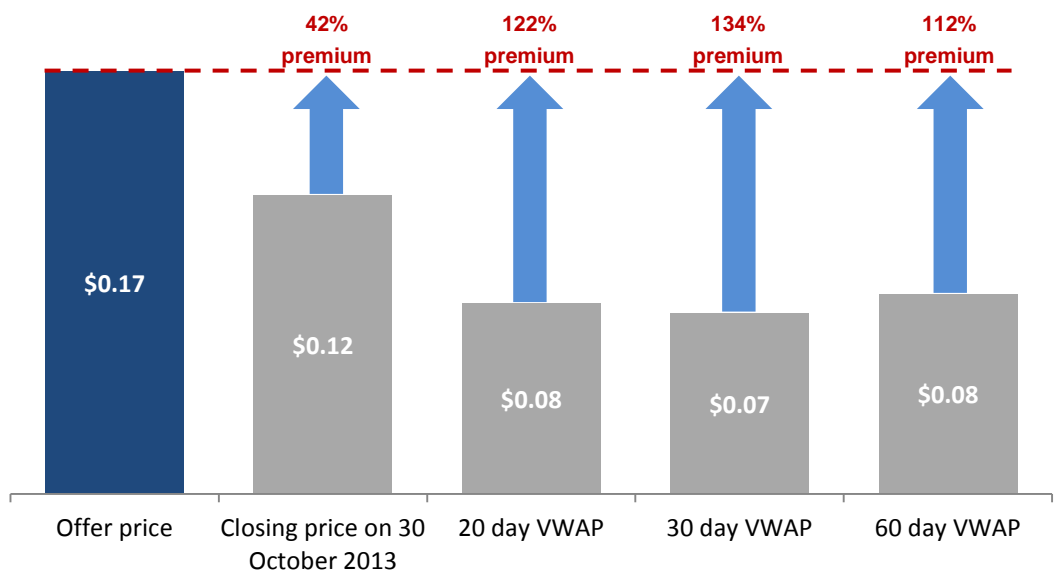
Reasons why the Glory Resources Directors make their recommendation are described in Section 2.2.

2.2 Reasons to ACCEPT the Offer

(i) The Offer represents a significant premium to Glory Resources' recent Share price performance

Glory Resources Shareholders are being offered a significant premium to recent trading levels of Glory Resources Shares, as illustrated in Figure 1 below.

Figure 1: Offer premiums to Glory Resources Share price



Source: Bloomberg

Note: VWAP is the market volume weighted average price of shares traded on the ASX for the relevant trading days up to and including 30 October 2013 (being the last trading day prior to the announcement of Eldorado's takeover proposal)

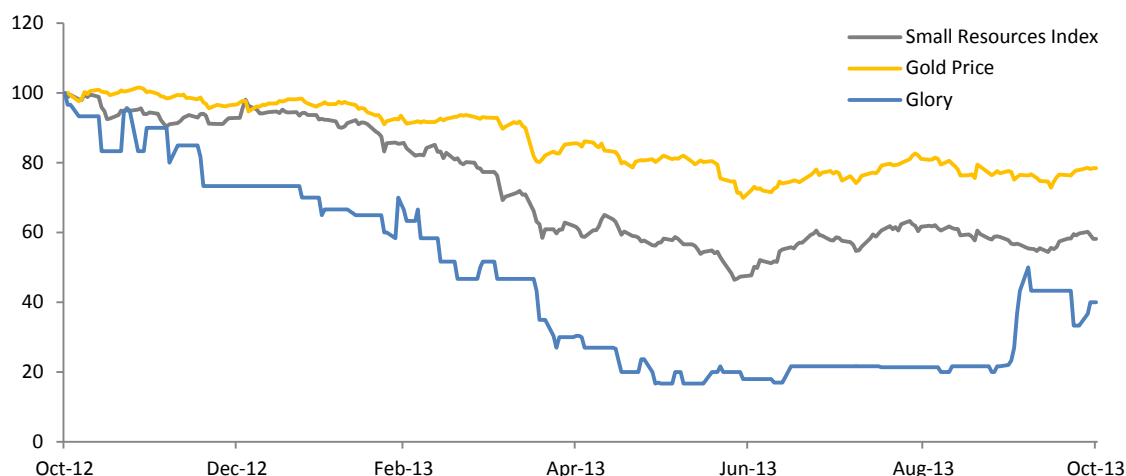
(ii) The Offer provides Shareholders with certainty of value in cash consideration in the current volatile equity markets and declining gold price environment

If you accept the Offer and the Offer becomes unconditional, you will receive A\$0.17 cash per Share.

The certainty of this fixed price cash payment should be considered against the risks associated with remaining a Shareholder in Glory Resources, some of which are set out in Section 2.3(d).

If the Offer is not successful, Glory will continue to be subject to volatility in equity and gold markets. Figure 2 below illustrates the volatility experienced over the past 12 months in the gold price, the Small Resources Index and Glory Resources' Share price, with the gold price falling 22% over this period.

Figure 2: Relative Glory, gold and market performance for the 12 months prior to Announcement



Source: Bloomberg

Note: Rebased to 100

(iii) The Offer eliminates the risks associated with continued uncertainty related to permitting at Sapes

During 2013, Glory Resources applied for and is currently awaiting approval from the Greek Minister of Environment, Energy and Climate Change ("MOU") for its Drilling Environmental Impact Study on the proposed maiden drilling program at Sapes. In 2012 Glory Resources also submitted and is awaiting approval from the MOU for its Environmental Impact Study for the development and construction of a gold mining operation at Sapes.

Glory Resources is not in a position to be able to provide an estimate on the timing of receipt of these approvals. Accepting the Offer will remove exposure to this permitting risk for Glory Resources Shareholders.

(iv) No Superior Proposal has emerged as at the date of this Target's Statement and the Directors are of the view that a competing offer is unlikely to eventuate

Since the announcement of Eldorado's initial takeover proposal on 31 October 2013 and up to the date of this Target's Statement, no Superior Proposal has emerged.

The Directors currently have no basis to expect that a competing proposal to the Offer will be made. Furthermore, Eldorado's 19.9% shareholding in Glory Resources may make it less likely that a competing offer will be made.

In addition, Glory Resources' Share price is currently being supported by the Offer and is likely to fall back to pre-announcement trading levels if the Offer is not successful and no Superior Proposal emerges, at least in the near term.

(v) Shareholders will receive immediate liquidity for their shares in a stock that historically has had low liquidity

Immediately prior to the Offer being announced, over 75% of Glory Resources' Shares were held by its top 8 Shareholders. The tightly held nature of the share register is

historically reflected in the 6 month period up to the date of announcement of the Offer where approximately 9.5m Shares were traded, representing only 4.2% of the total Shares on issue.

The Offer provides an exit for Shareholders without experiencing any potential adverse effects from the low level of liquidity in Glory Resources' Shares and negates any risk from a selling Shareholder placing downward pressure on the Share price in the future.

(vi) Glory will need to raise capital if the Offer is not successful

If the Offer is not successful, Glory is likely to have a need to undertake a capital raising to secure funding for ongoing expenditure. A capital raising may be dilutive to any Glory Shareholders who elect not to participate.

2.3 Risks and other matters to consider in deciding whether or not to accept the offer

- (i) You may wish to participate in any potential upside that may result from remaining a Shareholder
 - If you accept the Offer and the Offer becomes unconditional, you will no longer be entitled to participate in Glory Resources' future financial performance. This will mean that you will not retain any exposure to potential upside in Glory Resources' assets or have the potential to share in the value that could be generated by Glory Resources in the future through the development of Sapes or Glory Resources' other assets, and you will not have the opportunity to receive potential future dividends from Glory Resources. Please refer to Section 4.8 for details of certain risks associated with not accepting the Offer and continuing to hold your Shares.
- (ii) There may be tax consequences from accepting the Offer
 - Disposal of Shares under the Offer may have tax consequences for Shareholders.
 - A summary of the taxation implications of disposing of your Shares under the Offer is set out in Section 5. That summary is based on the Australian taxation law and administrative practice as at the date of this Target's Statement. The application of tax laws to different Shareholders will be dependent on particular facts and circumstances and accordingly it is strongly encouraged that Shareholders obtain independent taxation advice in relation to accepting the Offer.
- (iii) There are risks associated with accepting the Offer
 - You will only receive the cash payment from Eldorado if the Conditions are satisfied or waived, the timing of which is uncertain. If you accept the Offer and any Condition is not satisfied or waived, Eldorado will not acquire your Shares under the Offer and you will not receive the cash payment from them. In the meantime, you will be unable to sell or otherwise deal with your Shares.
 - Generally, shareholders who accept the Offer will only be able to withdraw their acceptance to accept a Superior Proposal (if any such proposal emerges) or trade their Shares if Eldorado varies the Offer such that the first date for payment is delayed by more than 1 month.
- (iv) There are risks in doing nothing and not accepting the Offer
 - If you do not accept the Offer by the end of the Offer Period and, at the end of that period, Eldorado has relevant interests in more than 50% but less

than 90% of the Shares and the Offer becomes unconditional, you will end up holding shares in a company with a single controlling shareholder. This will have a number of possible implications, including:

- Eldorado will be in a position to control the appointment of the directors and senior management of Glory Resources. This will enable Eldorado to control the strategic direction of the Company;
 - the available market for Shares is likely to be limited to Shares not held by Eldorado, with the result that liquidity in Shares may be lower than at present. This may adversely affect the market price of Shares and the ability of Shareholders to sell their Shares;
 - Subject to the spread and number of remaining Glory Resources Shareholders and the requirements in the ASX Listing Rules, Eldorado could seek the removal of Glory Resources' listing on the ASX. If Glory Resources is removed from the official list of ASX, Shareholders will not be able to sell their Shares on the ASX;
 - if Eldorado acquires 75% or more of the Shares, it will be able to pass a special resolution of Glory Resources. This will enable Eldorado to, among other things, change the Company's constitution; and
 - if, after the end of the Offer Period, Eldorado becomes the holder of at least 90% of the Shares (for example, by subsequent acquisitions of Shares), then Eldorado may be entitled to compulsorily acquire outstanding Shares (see Section 6.8 and section 6.2 of the Bidder's Statement for further details).
- The Company may be required to raise additional capital which may be dilutive to Shareholders who elect not to participate.

3 Frequently asked questions

Question	Answer	Reference
3.1 What is the Offer?	The Offer is an off-market takeover bid made by Eldorado, to acquire all Shares not already held by it on the terms set out in section 9.1 of the Bidder's Statement.	See section 1 and section 9.1 of the Bidder's Statement
3.2 When does the Offer close?	The Offer will close at 4pm (WST) 23 December 2013 unless it is extended or withdrawn.	The circumstances in which Eldorado may extend the Offer Period are described in section 3.3.
3.3 Can the Offer Period be extended?	<p>Eldorado may extend the Offer Period at any time before giving the notice of status of Conditions while the Offer is subject to Conditions.</p> <p>If all the Conditions have been satisfied or waived (that is, the Offer is unconditional), Eldorado may extend the Offer Period at any time before the end of the Offer Period, even if it has already given the notice of status of Conditions.</p> <p>Further, there will be an automatic extension of the Offer Period if, within the last 7 days of the Offer Period:</p> <ul style="list-style-type: none"> • Eldorado increases the amount of its payments (or otherwise improves the consideration offered under the Offer); or • Eldorado's voting power in Glory Resources increases to more than 50%. <p>In either of these circumstances, the Offer Period is automatically extended so that it ends 14 days after the occurrence of the relevant event.</p>	See section 3.18
3.4 Can the Offer be withdrawn?	Eldorado may only withdraw the Offer with the written consent of ASIC and subject to the conditions (if any) specified in such consent.	
3.5 Can the Offer be varied?	Eldorado may vary the Offer in any of the ways permitted by the Corporations Act, including by extending the Offer Period or by increasing the Offer Price. If Eldorado varies the Offer in any of those ways, it must give written notice to ASIC and Glory Resources and send you a copy of that notice. ¹	Section 3.3
3.6 What is the Bid Implementation Agreement and what does it mean?	<p>The Bid Implementation Agreement was entered into between Glory Resources and Eldorado on 31 October 2013. It contains the terms and conditions on which the parties will proceed with the takeover.</p> <p>A copy of the Bid Implementation Agreement was</p>	See section 6.1 and section 8.2 of the Bidder's Statement

¹ However, Eldorado will not be required to send you a copy of the notice if, at the time of the variation, you have already accepted the Offer, or the Offer is unconditional and the variation merely extends the Offer Period.

Question	Answer	Reference
	attached to Glory Resources' ASX announcement dated 31 October 2013, which is available on the ASX and Glory Resources' Website (www.gloryresources.com.au)	
3.7 Why have I received this document?	<p>You have received this Target's Statement because you are a Shareholder.</p> <p>This Target's Statement is Glory Resources' formal response to the Offer and the Bidder's Statement which was sent to you shortly before this Target's Statement. The Bidder's Statement was prepared by Eldorado and includes information about Eldorado, together with details of Eldorado's offer to acquire your Shares.</p> <p>The Bidder's Statement and this Target's Statement contain important information in relation to your decision whether or not to accept the Offer. You should read both documents carefully and in their entirety.</p>	
3.8 I hold Options, what should I do?	Eldorado will make a separate offer to you in respect of the Options you hold in Glory Resources.	See section 6.3
3.9 Who is Eldorado?	<p>Eldorado Gold Corporation is a Canadian based gold producing, exploration and development company with assets in Turkey, China, Greece, Brazil and Romania.</p> <p>Eldorado Gold Corporation is listed on the Toronto and New York Stock Exchanges (TSX:ELD, NYSE:EGO) with a market capitalisation of approximately US\$4.6 billion at the date of this Target's Statement.</p> <p>Eldorado Gold Coöperatief, an indirect wholly owned subsidiary of Eldorado Gold Corporation, currently owns 19.9% of Glory Resources' issued Shares and is Glory Resources largest Shareholder.</p>	Further details about Eldorado are set out in section 3 of the Bidder's Statement.
3.10 Do the Glory Resources' Directors recommend the Offer?	Yes. The Glory Resources Directors unanimously recommend that you accept the Offer, in the absence of a Superior Proposal.	See section 2
3.11 What do the Glory Resources Directors intend to do with their Shares?	Those Glory Resources Directors who hold or control Shares intend to accept the Offer in respect of their personal shareholdings in Glory Resources, in the absence of a Superior Proposal. In addition the Glory Resources Directors who hold options intend to accept the Option Offer to be made by Eldorado in the absence of a Superior Proposal.	See section 2
3.12 Can a Glory Resources Director withdraw or change his or her recommendation	<p>Yes in limited circumstances. Under the Bid Implementation Agreement, a Glory Resources Director may withdraw or change his or her recommendation of the Offer if a Superior Proposal emerges.</p> <p>If the Glory Resources Directors withdraw or change their</p>	

Question	Answer	Reference
of the Offer?	recommendation or there is a material development in relation to the Offer, Glory Resources will inform you of that matter.	
3.13 Is there an independent expert's report?	No. Glory Resources has not commissioned an independent experts report for the purposes of this transaction.	
3.14 What will I receive for my Shares?	If you accept the Offer and the Offer becomes unconditional, Eldorado will pay you \$0.17 for every Share you own.	See section 1 and section 2 of the Bidder's Statement
3.15 What will I receive for my Options?	<p>If you currently hold Options, Eldorado will make a separate offer to you in respect of the Options you hold in Glory Resources.</p> <p>The payment you receive in respect of your Options will vary depending on the terms of the Options you hold. The payment offered in respect of each class of Options and the conditions to the Options Offer are set out in section 6.3.</p>	See section 6.3
3.16 When will I be paid if I accept the Offer?	<p>Subject to the terms of the Offer, Eldorado will pay Shareholders who accept the Offer on or before the earlier of:</p> <ul style="list-style-type: none"> a) one month after the offer is accepted or one month after all the conditions have been freed or fulfilled (whichever is later); and b) 21 days after the end of the Offer Period. <p>Full details of when payments will be made are set out in section 9.6 of the Bidder's Statement.</p> <p>Shareholders will not receive the Eldorado payment if the Offer does not become unconditional.</p>	See section 9.6 of the Bidder's Statement
3.17 Is the Offer subject to any Conditions?	<p>Yes, the Offer is subject to a number of Conditions, which are set out in section 9.</p> <p>The Conditions include:</p> <ul style="list-style-type: none"> • 90% minimum acceptance; • regulatory approvals; • no material adverse change; • conditions restraining Glory Resources' ability to undertake certain acquisitions and disposals and to expend funds; • the MinSec Deferred Share Capital not being issued; and • the Onion Lake Deferred Consideration and the Way Lake Deferred Consideration not being 	See section 9

Question	Answer	Reference
	<p>issued.</p> <p>Eldorado has set 13 December 2013 as the date on which it will give Glory Resources and ASX the notice of status of Conditions (however this date may be postponed if the Offer Period is extended). If, before that date, one of the Conditions is fulfilled, Eldorado must give Glory Resources and ASX notice of the fulfilment of that Condition.</p> <p>Eldorado may waive any or all of the Conditions by giving a notice to Glory Resources and ASX in accordance with section 650F of the Corporations Act.</p>	
<p>3.18 What are the Regulatory Conditions and when will they be satisfied?</p>	<p>The Regulatory Conditions are Conditions of the Offer. They relate to a number of regulatory approvals that must be obtained by Eldorado. These include approvals from the relevant authorities in Australia, Canada, Greece, Netherlands and the United States of America.</p> <p>In particular, approval of the Offer is required from each of the following Greek authorities and agencies:</p> <ul style="list-style-type: none"> a) Ministry of Environment, Energy & Climate Change – Division of Mines; and b) Hellenic Competition Commission. <p>The process for seeking these approvals has already commenced. The timing for completion of this process is uncertain and it may be several months or more before all regulatory approvals required to satisfy the Regulatory Conditions are obtained.</p>	<p>See section 9.1, 9.2 and section 8.1 of the Bidder's Statement.</p>
<p>3.19 What is the status of the Conditions?</p>	<p>As at the date of this Target's Statement:</p> <ul style="list-style-type: none"> • no Condition has been satisfied or waived; and • Glory Resources is not aware of any fact, matter or circumstance that would result in any Condition becoming incapable of being satisfied. 	
<p>3.20 What happens if any Condition is not satisfied or waived?</p>	<p>If any Condition is not satisfied or waived:</p> <ul style="list-style-type: none"> • all acceptances of the Offer and all contracts resulting from acceptance of the Offer will be void; • no Shares will be transferred to Eldorado under the Offer and Shareholders will not receive the Eldorado payment for their Shares; • the Options Offer will not proceed; and • Glory Resources will continue to be listed on the ASX. 	

Question	Answer	Reference
3.21 What choices do I have as a Shareholder?	<p>As a Shareholder you have the following choices:</p> <ul style="list-style-type: none"> • accept the Offer; • sell some or all of your Shares on market (unless you have already accepted the Offer and have not validly withdrawn your acceptance); or • reject the Offer by doing nothing. 	See section 1
3.22 How do I accept the Offer?	To accept the Offer, you need to follow the instructions set out in section 9.3 of the Bidder's Statement and on the Acceptance Form provided to you in the Bidder's Statement.	See section 9.3 of the Bidder's Statement
3.23 What are the consequences of accepting the Offer and can I withdraw my acceptance?	<p>If you accept the Offer, you will be unable to sell your Shares on market or otherwise deal with your Shares while the Offer remains open, including forfeiting the opportunity to accept any Superior Proposal that may emerge during the Offer Period.</p> <p>You will only be entitled to withdraw your acceptance in limited circumstances in accordance with the Corporations Act.</p> <p>If you require details of the limited circumstances where you may withdraw your acceptance of the Offer, please contact the Glory Resources Shareholder Information Line on 1300 552 878 (within Australia) or +61 8 6160 4906 (outside Australia) at any time between 8.30am and 5.30pm (Perth time) on Monday to Friday, or at glory@magnus.net.au.</p>	
3.24 What happens if Eldorado improves the Offer after I have accepted?	If you accept the Offer and Eldorado subsequently increases the amount of the Eldorado payment, you will be entitled to the increased Eldorado payment if the Offer is or becomes unconditional.	
3.25 What are the tax implications of disposing of Shares under the Offer?	<p>A general outline of the tax implications of disposing of Shares under the Offer is set out in Section 5.</p> <p>Shareholders are encouraged to seek professional advice in relation to the tax implications applicable to their personal circumstances.</p>	See section 5
3.26 What happens if I do nothing?	<p>The implications of you doing nothing will depend on the ultimate shareholding in Glory Resources achieved by Eldorado. That is:</p> <ul style="list-style-type: none"> • if Eldorado achieves a shareholding of at least 90% and proceeds to compulsorily acquisition of all outstanding Shares in accordance with Part 6A.1 of the Corporations Act, then your Shares will be acquired by Eldorado on the terms of the Offer and you will cease to be a Shareholder. Eldorado has stated in section 6.2 of the Bidder's Statement that it intends to proceed to compulsory acquisition of outstanding Shares, if it becomes 	See section 4.8 and section 2.3

Question	Answer	Reference
	<p>entitled to do so; and</p> <ul style="list-style-type: none"> if Eldorado achieves a relevant interest of between 50% and 90% and declares the offer unconditional, you will remain a Shareholder and will be exposed to the risks related to holding an investment in Glory Resources and risks associated with being a minority Shareholder. 	
3.27 What if I want to sell my Shares on market?	During the Offer Period, you may sell some or all of your Shares on market for cash provided you have not accepted the Offer for those Shares. Before doing so, you should carefully consider the implications of this course of action, including that you would not receive the benefit of any increase in the amount of the Eldorado payment. You will also forfeit the ability to accept any Superior Proposal that may emerge. If you sell your Shares on market, you may incur a brokerage charge.	
3.28 Will I pay brokerage if I accept the Offer?	<p>If your Shares are held on Glory's issuer sponsored sub-register in your name and you deliver them directly to Eldorado, you will not incur any brokerage in connection with your acceptance of the Offer.</p> <p>If your Shares are registered in a CHESS Holding, or if you are a beneficial owner whose Shares are registered in the name of a broker, bank, custodian or other nominee, you should ask your Controlling Participant (usually your broker) or that nominee whether it will charge any transaction fees or service charges in connection with acceptance of the Offer.</p>	
3.29 If I have further questions in relation to the Offer what can I do?	If you have any queries regarding the Offer, please contact the Glory Resources Shareholder Information Line on 1300 552 878 (within Australia) or +61 8 6160 4906 (outside Australia) at any time between 8.30am and 5.30pm (WST) on Monday to Friday, or at glory@magnus.net.au .	

4 Overview of Glory Resources

4.1 Overview of Glory Resources

Glory Resources is an ASX-listed precious metals development and exploration company. The Company's flagship project is Sapes, an advanced high grade gold development project located in north-eastern Greece approximately 30km northwest of the Aegean Sea port city of Alexandroupoulos. The area is a proven gold region with many projects at varying stages of development. The Company is also exploring precious metals in North America at its Onion Lake and Way Lake Projects.

4.2 Sapes Gold Project

Sapes is 100% owned by Glory Resources and is a typical high-sulphidation epithermal gold deposit. It has a JORC Measured and Indicated Resource of 830koz @ 9.8g/t (see Table 4.4.1) with identified JORC Proved and Probable Ore Reserve of 637koz @ 15.1g/t Au (see Table 4.4.2).

Recent geophysical and other exploration work has indicated the potential for the resource to grow once further drilling has been conducted. During 2012, Aurum Exploration Services ("Aurum") completed a study of the Sapes drill hole database. Assuming a lower cut-off grade of 0.5g/t Au as opposed to 4g/t Au for the Viper ore body, the study resulted in a potential two to three fold increase in the resource tonnages from the original 2.6Mt quantified by the existing Mineral Resource Estimate. Glory Resources has planned a 5,000m drill program along strike line of the existing Viper ore body as Glory Resources considers this area to be highly prospective. Glory Resources is still waiting on a drilling permit before it can proceed with this exploration program, and is not in a position to estimate timing on receipt of this permit.

A Feasibility Study, which was completed at Sapes in 2001 and updated in 2010, showed an economically viable mining operation targeting total gold production of 510koz Au over a seven year mine life. The project has estimated capital costs of approximately US\$100m and operating cash costs of US\$297/oz and total cash cost of \$474/oz. Glory Resources received approval for its Preliminary Environmental Impact Study ("PEIS") for the development and construction of a gold mining operation at Sapes in July 2012. Following this, the Company submitted its EIS for Sapes in December 2012 and has not yet received approval from the MOU as at the date of this Target's Statement, and is not in a position to estimate timing on receipt of this approval.

4.3 Other projects

(a) Onion Lake Project

Glory Resources currently has a 30% interest in the Onion Lake Project, pursuant to a joint venture with TSX listed Benton Resources Limited, with a right to earn up to 75%. The Onion Lake Project covers 190km² of contiguous mining claims located within the North American Mid-Continental Rift – an emerging platinum-copper-nickel province which is host to several large deposits.

Since Glory Resources' involvement in the project from 2011, in Glory Resources' view, significant advances have been made. A mafic-ultramafic intrusion geochemically similar to Magma Metals' Intrusive Complex was intersected in a small diamond drill program early in 2011. Through mechanical trenching in June of 2011 it was determined that the linear intrusion trended towards the western border with Magma Metals and appears to be a distal expression of their magmatic system. A limited prospecting program was conducted over a portion of the property in the summer of 2011 with a detailed airborne survey conducted in the fall. A second seven-hole diamond drill program followed the geophysical survey but was unsuccessful in locating a large portion of the magmatic

system however it did encounter narrow intersections of mafic MCR magmatism as well as alteration associated with Magma Metals' Intrusive Complex.

To date approximately 20% of the property has been explored and a smaller percentage of geophysical targets have been ground-truthed. Further planned activities include an extensive ground exploration program to systematically evaluate each geophysical target to be followed by diamond drilling. To date, given a number of factors (including unpredictable capital and commodity markets), Glory Resources has yet to commence this work. If the Offer does not proceed, Glory Resources will consider if and when it undertakes this work.

(b) Way Lake Project

The Way Lake Project is a prospective PGM-Cu-Ni project located approximately 12 kilometres east-southeast of the town of Sioux Lookout, Ontario, Canada. The property is comprised of 4 unpatented mining claims (864 hectares) covering the interpreted extent of a large peridotite body referred to as the Way Lake Intrusion. The Way Lake claims are 100% owned by Glory Resources.

Previous work on the project identified numerous broad zones of conductivity suggesting the potential of sulfide mineralization along the margins of the intrusion. No modern exploration has been conducted on the intrusion other than Glory Resources conducting a first-pass exploration program in 2011. This program revealed that the historical conductive zones are obscured under vast areas of vegetation and overburden. A three-line soil sampling program has identified coincident zones of anomalous gold, copper, nickel and PGE values over some of the conductive zones. Five ultramafic samples taken during the exploration program returned both elevated nickel and PGE values.

A program consisting of airborne geophysics followed by diamond drill testing is recommended to evaluate the potential of massive sulfide mineralization within or along the margins of the ultramafic intrusion. Glory Resources currently has no current plans to undertake this program.

4.4 Sapes JORC Compliant Mining Resource Estimate

Table 4.4.1: Sapes Project Resources Statement							
Orebody	Category	Cut-Off Grade (g/t)	Tonnes	Grades			Ounces of Gold
				Au (g/t)	Ag (g/t)	Cu (%)	
Viper	Measured	4.0	710,000	22.2	11.5	0.4	507,000
St. Demetrios	Measured	1.0	730,000	3.5	3.2		82,000
Scarp	Measured	1.0	820,000	2.2	1.5		58,000
	sub-total		2,260,000	8.9	5.2	0.2	647,000
Viper	Indicated	4.0	280,000	19.5	9.0	0.4	176,000
St. Demetrios	Indicated	1.0	50,000	2.6	2.8		4,000
Scarp	Indicated	1.0	50,000	1.7	1.1		3,000
	sub-total		380,000	14.9	7.1	0.3	183,000
Rounded	Total		2,640,000	9.8	5.5	0.1	830,000

Table 4.4.2: Sapes Project Reserves Statement							
Orebody	Category	Cut-Off Grade (g/t)	Tonnes	Grades			Ounces of Gold
				Au (g/t)	Ag (g/t)	Cu (%)	
St. Demetrios	Proved	1.0	200,000	3.5	5.2		23,000
	sub-total		200,000	3.5	5.2		23,000
Viper	Probable	4.0	1,109,000	17.2	8.8	0.3	613,000
St. Demetrios	Probable	1.0	10,000	3.6	4.4		1,000

	sub-total		1,119,000	17.2	8.8	0.3	614,000
Rounded	Total		1,319,000	15.1	8.2	0.3	637,000

Table 4.4.3: Borehole intersections at higher elevations above the Viper orebody

Hole Id	East	North	Azim	Dip	Depth	Thick (m)	Aug (g/t)	
SD08	655076	4542900	270	-50	128-185	57	8.0	Incl. 31.86 m at 13.3 g/t Au with 9.43 m at 40.1 g/t Au
SD04	644844	4542891	91.5	-50	121-140	19	0.47	
					149-200	51	1.79	Incl. 5 m at 13.5 g/t Au
					216-283	67	2.46	Incl. 22 m at 6.5 g/t Au with 10 m at 9.2 g/t Au

4.5 Resource Statement

The information in section 4.4 of this Target's Statement is a re-issue of information previously issued by Glory Resources on 28 August 2012 in its announcement entitled 'High Grade Sapes Gold Project – New Resource Model' available from ASX. The announcement details that the information is based on information compiled by Mr Bernard Aylward, Dr Mike Armitage and Mr Malcolm Dorricott, each of whom are 'Competent Persons' for the purposes of the JORC Code. Glory Resources confirms that:

- (a) it is not aware of any new information or data that materially affects the information in the 28 August 2012 announcement and that, to the extent the information is a resource estimate, none of the material assumptions or technical parameters underpinning such estimates have materially changed; and
- (b) the form and context in which the information in the 28 August 2012 announcement is presented has not been materially modified for this Target's Statement.

4.6 Substantial Holders

As at 3 December 2013, being the last practicable date prior to lodgement of this Target's Statement, the following persons are substantial holders of Glory Shares as disclosed pursuant to substantial holding notices provided to ASX:

Name	Number of shares	Percentage of issued shares
Eldorado Gold Coöperatief UA	47,257,185	21.09% ²
Dempsey Resources Pty Ltd and Cape Lambert Resources Limited	36,750,000	16.39%
Vanguard Precious Metals and Mining	33,500,000	14.97%

² Includes 19.90% shareholding and shares representing 1.19% of Glory Shares which have been accepted into the Offer as disclosed in Eldorado's substantial holding notice dated 2 December 2013.

Name	Number of shares	Percentage of issued shares
Fund		
M&G Group Limited and its associated entities	33,500,000	14.94%
Seventy Three Pty Ltd (King Super Fund)	2,081,706	5.50%

4.7 Glory Resources Directors

(a) *Jeremy Wrathall, Non-Executive Chairman*

Jeremy Wrathall is a mining engineer from the Camborne School of Mines with experience in underground mining in the South African gold mining industry. Mr. Wrathall is currently the Head of Global Natural Resources - London for Investec Plc.

Mr Wrathall has extensive experience in investment banking having worked as a mining analyst, mining specialist salesman and mining investment banker over the last 25 years. In former roles he was the Global Head of Mining Equities at Deutsche Bank, Global Head of Mining Equity Sales at UBS and more recently the Managing Director of the Metals & Mining Investment Banking team at Renaissance Capital. He has extensive experience of evaluating and leading mining equity transactions across various markets, including London, ASX, TSX and JSE.

(b) *Jason Bontempo, Executive Director*

Jason Bontempo has 18 years' experience in investment banking, corporate advisory and public company management since commencing his career and qualifying as a chartered accountant with Ernst & Young.

Mr Bontempo has worked in Australia and the UK initially providing corporate advice and assisting in the financing of resource companies on both the ASX and AIM markets including resource asset acquisitions and divestments. More recently Mr. Bontempo has been directly involved in the management of mineral and resources focused public companies serving on the board and in the executive management team focusing on advancing and developing mineral resource assets and business development.

(c) *Bernard Aylward, Non-executive director*

Bernard Aylward (MAusIMM) is an honours graduate in Geology from the University of Melbourne, and has 20 years' experience in mineral exploration, mine development and production. Mr Aylward is the Managing Director of Taruga Gold Limited, an ASX-listed gold explorer focussed on West Africa.

Mr Aylward has previously served as the COO of International Goldfields Ltd, and as General Manager of Azumah Resources Ltd where he oversaw expansion of the WA project to over 1 million ounces gold resource. Prior to that, Mr Aylward's experience included a senior executive role with Croesus Mining NL as Exploration Manager involved in the delineation of high-grade underground gold deposits at the Norseman Gold operations and working for Sons of Gwalia Limited where he was directly involved in the exploration drilling and expansion of the Safari Bore resource and the Deep South discoveries.

(d) *Lui Giuliani Non-executive director*

Lui Giuliani is a member of the Institute of Chartered Accountants of Australia, holds a Bachelor of Business degree from Curtin University and completed a Strategic Management course at the Macquarie Graduate School of Management.

Mr Giuliani has over 20 years of business experience through both his professional Chartered Accounting roles and ownership of various businesses. Mr Giuliani is currently managing director of Aspire Capital Partners.

Prior to establishing Aspire Capital, he had a 20 year career at Ernst & Young and was a partner at Ernst & Young for over 7 years. Mr Giuliani is currently a member of the Advisory Board of The Georgiou Group and has directorships/board advisory roles with Intercon Millar Logistics, Emissions Assessments and Austral Fisheries.

4.8 Risks associated with holding Shares

In considering Glory Resources and the Offer, Glory Resources Shareholders should be aware of the risks relating to Glory Resources, its business and assets. These risks include those specific to the industry in which Glory Resources operates and general economic conditions, which may affect the future operating and financial performance of Glory Resources. Many of the risks are outside the control of Glory Resources and the Directors, and there can be no certainty that Glory Resources' objectives or anticipated outcomes will be achieved.

Like any other investment in an exploration and development company, maintaining a holding in Glory Resources is subject to certain risks.

A summary of the key risks is set out below.

(a) Risks affecting Glory Resources' business

- **(Greece)** Sapes is located in north-eastern Greece. Mining operations are not as prevalent in Greece as other jurisdictions and risks exist in terms of Greek governmental approval for the various activities which an operating mine requires and the timetable associated with obtaining such approvals.

In particular, the timetable for the receipt of the necessary approvals for Sapes is uncertain and may take longer than Glory Resources has envisaged. The length of any delay may be uncertain and may have adverse consequences for investors in Glory Resources. Glory Resources is currently waiting on a drilling permit and development permit at Sapes. Glory Resources is not in a position to be able to provide an estimate on the timing of receipt of these approvals or any assurance that they will be provided at all.

Also, the Conditions to the Offer restrict Glory Resources' capital expenditure during the Offer Period. In order to facilitate the Offer and comply with the Conditions, Glory Resources may not be able to fulfil some of its current strategies (in particular related to its Greek regional political strategy) while the Offer continues. While it is not anticipated that these Conditions will adversely impact Glory Resources in the short term, if the Offer does not proceed or complete, the timing for Glory Resources to finalise these matters may also be impacted.

Whilst the relevant law in Greece sets out timetables for the permitting process, Glory Resources has learnt from the experience of other parties that decisions of both government and judicial bodies may take significantly longer than anticipated.

Should Glory Resources ultimately proceed to development, operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, foreign currency remittance, income taxes, expropriation of property, foreign investment,

maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral rights applications and tenure, could result in loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the operations or any future profitability of Glory Resources. Glory Resources has made its investment and strategic decisions based on the information currently available to the directors, however should there be any material change in the political, economic, legal and social environments in Greece, the directors may reassess investment decisions and commitments to assets in Greece.

- **(Ability to raise sufficient capital to fund development)** Consistent with many exploration companies, the continued development of Glory Resources' projects will be dependent upon its ability to obtain debt and/or equity financing. There is a risk that Glory Resources will not be able to access capital on terms that make the projects economically viable, or at all. Even if Glory Resources is able to raise finance, it may be on terms that materially dilute your equity in Glory Resources. Current market conditions, including global volatility beyond the control of Glory Resources, has affected investor confidence, which in turn impacts on the capacity of any company to raise further capital.
- **(Exploration, development and production risks)** The business of gold exploration and production, project development and production involves risks by its very nature. To prosper, it depends on, among other things, the successful development of gold reserves. Operations, such as design and construction of efficient recovery and processing facilities, competent operational and managerial performance and efficient distribution services are required to be successful. In particular, exploration is a speculative endeavour whilst production operations can be hampered by force majeure circumstances, engineering difficulties, cost overruns, inconsistent recovery rates and other unforeseen events.

Glory Resources' future profitability will depend on the economic returns and the costs of developing Sapes, which may differ significantly from its current estimates.

Feasibility studies estimate the expected or anticipated project economic returns. These estimates are based on assumptions regarding future gold and other metal prices, anticipated tonnage, grades and metallurgical characteristics of ore to be mined and processed, anticipated recovery rates of gold from the ore, anticipated capital expenditure and cash operating costs. Actual cash operating costs, production and economic returns may differ significantly from those anticipated by such studies and estimates. Operating costs and capital expenditure are determined particularly by the costs of the commodity inputs, including the cost of fuel, chemical reagents, explosives, tires and steel consumed in mining activities. There are a number of uncertainties inherent in the development and construction of any new mine and mineral processing facility. In addition to those discussed above these uncertainties include the:

- timing and cost, which can be considerable, of the construction of mining and processing facilities;
- availability and cost of skilled labour, power, water and transportation facilities;
- need to obtain necessary environmental and other governmental permits and the timing of those permits; and

- availability of funds to finance construction and development activities.

The outcome of exploration programs will affect the future performance of Glory Resources and its Shares. If, and when, Glory Resources commences production, the production may be curtailed or shut down for considerable periods of time due to any of the following factors:

- disruptions to the transport chain being road and rail;
- port infrastructure and ocean freight;
- metals prices;
- government regulation;
- production allocations; and
- force majeure.

These curtailments may continue for a considerable period of time resulting in a material adverse effect on the results of operations and financial condition of Glory Resources.

Further, the exploration, development and production of gold involves certain operating hazards, such as:

- failure and or breakdown of equipment;
- adverse geological, seismic and geotechnical conditions;
- industrial accidents;
- labour disputes;
- adverse weather conditions;
- pollution; and
- other environmental hazards and risks.

Any of these hazards could cause Glory Resources to suffer substantial losses if they occur.

The future exploration activities of Glory Resources may not be successful. Unsuccessful exploration activities could have a material adverse effect on the results of operations and financial condition.

- **(Resource estimates)** Resource, reserve and other estimates of gold, copper and silver occurrences, are expressions of judgment based on knowledge, experience and industry practice. Often these estimates were appropriate when made but may change significantly when new information becomes available. There are risks associated with such estimates, including that gold mined may be of a different quality, grade or strip ratio from the estimates. Resource and reserve estimates are inherently imprecise and depend to some extent upon interpretations, which may ultimately prove to be inaccurate and require adjustment. Adjustments to the estimates of gold reserves could affect development and mining plans.
- **(Title risk)** Interests in mineral rights in Greece are governed by Greek legislation. The licence which grants the title to Sapes is subject to compliance with certain requirements, including lodgement of reports, payment of royalties and compliance

with environmental conditions and environmental legislation. Consequently, Glory Resources could lose title to or its interest in Sapes if these requirements are not met.

- **(Government policy changes and legal risk)** Government action or policy change (in particular, by the Greek government) in relation to access to lands and infrastructure, compliance with environmental regulations, export restrictions, taxation, royalties and subsidies may adversely affect Glory Resources' operations and financial performance.

Glory Resources' Greek operations will be governed by a series of Greek laws and regulations. Breaches or non-compliance with these laws and regulations can result in penalties and other liabilities. These may have a material adverse impact on the financial position, financial performance, cash flows, growth prospects and share price of Glory Resources.

These laws and regulations may be amended from time to time, which may also have a material adverse impact on the financial position, financial performance, cash flows, growth prospects and share price for Glory Resources. The legal and political conditions of Greece and any changes thereto are outside the control of Glory Resources.

The introduction of new legislation or amendments to existing legislation by governments, developments in existing common law, or the respective interpretation of the legal requirements in any of the legal jurisdictions which govern Glory Resources' operations or contractual obligations, could impact adversely on the assets, operations and, ultimately, the financial performance of Glory Resources and the value of its Shares. In addition, there is a commercial risk that legal action may be taken against Glory Resources in relation to commercial matters.

(Environmental risk) Glory Resources' operations in Greece will be subject to various regulations regarding environmental matters and the discharge of hazardous waste and materials. Development of the gold resources will be dependent on the project meeting environmental guidelines and gaining approvals by government authorities. Whilst Glory Resources intends to conduct its activities in an environmentally responsible manner, risks arise in relation to compliance with these regulations and approvals. The introduction of more stringent regulations and conditions may also adversely affect Glory Resources.

- **(Gold price volatility)** Upon development of Sapes (if developed), the majority of Glory Resources' revenues and cash flows are likely to be derived from the sale of gold or gold rich product. Therefore, the financial performance of Glory Resources will be sensitive to the gold price. Gold prices are affected by numerous factors and events that are beyond the control of Glory Resources. These factors and events include general economic activity, world demand, global political stability, costs of production by other gold producers and other matters such as inflationary expectations, interest rates, currency exchange rates (particularly the strength of the US dollar) as well as general global economic conditions and political trends.

If gold prices should fall below or remain below Glory Resources' future costs of production for any sustained period due to these or other factors and events, Glory Resources' exploration and any future production could be delayed or even abandoned. A delay in exploration or future production or the abandonment of Glory Resources' project may have a material adverse effect on Glory Resources' production, earnings and financial position.

- **(Exchange rate risk)** Glory Resources' revenue from gold sales will be received in US dollars, while a significant portion of its operating expenses will be incurred in Australian dollars and Euros. Because Glory Resources' financial statements are in Australian dollars, appreciation of the Australian dollar against the US dollar,

without offsetting improvement in US dollar denominated gold prices, could adversely affect Glory Resources' reported profitability and financial position.

In addition, the development plans anticipate that certain capital expenditure will be made in US dollars and that certain consumable items required for operations will be priced in US dollars. These costs will increase in Australian dollar terms if there is a depreciation of the Australian dollar against the US dollar, which could adversely affect Glory Resources' profitability, results of operations and financial position

- **(Unforeseen expenditure risk)** Expenditure may need to be incurred that has not been taken into account by Glory Resources. Although Glory Resources is not aware of any such additional expenditure requirements, if such expenditure is subsequently incurred, this may adversely affect the expenditure proposals of Glory Resources.
- **(Reliance on key management personnel)** The responsibility of overseeing the day-to-day operations and the strategic management of Glory Resources depends substantially on its senior management and its key personnel.

In particular, Glory Resources intends that the day-to-day management of Sapes will be the responsibility of existing and future senior management and key personnel, who will have the experience and knowledge required to manage development and production in Greece. There can be no assurance given that there will be no detrimental impact on Glory Resources if one or more of these personnel cease their employment. Further, there can be no assurance that appropriately qualified senior management and key personnel will be available for engagement by Glory Resources as and when required and on terms acceptable to Glory Resources.

- **(Contractors and Contractual disputes)** The operations of Glory Resources will require the involvement of a number of third parties, including suppliers, contractors and customers. With respect to these third parties, and despite applying best practice in terms of pre-contracting due diligence, Glory Resources is unable to completely avoid the risk of:
 - financial failure or default by a participant in any joint venture to which Glory Resources or its subsidiaries may become a party;
 - insolvency, default on performance or delivery, or any managerial failure by any of the operators and contractors used by Glory Resources or its subsidiaries in its exploration activities; or
 - insolvency, default on performance or delivery, or any managerial failure by any other service providers used by Glory Resources or its subsidiaries or operators for any activity.

Financial failure, insolvency, default on performance or delivery, or any managerial failure by such third parties may have a material impact on Glory Resources' operations and performance. Whilst best practice pre-contracting due diligence is undertaken for all third parties engaged by Glory Resources, it is not possible for Glory Resources to predict or protect itself completely against all such risks.

- **(Competition)** There is a risk that Glory Resources will not be able to continue to compete profitably in the competitive industry in which it intends to operate. The potential exists for the nature and extent of the competition to change rapidly, which may cause loss to Glory Resources.
- **(Management of growth)** There is a risk that management of Glory Resources will not be able to implement Glory Resources' growth strategy. The capacity of the management to properly implement and manage the strategic direction of Glory

Resources, in particular as regard to Sapes, may affect Glory Resources' financial performance.

- **(Insurance)** Glory Resources will, where possible and economically practicable, endeavour to mitigate some project and business risks by procuring relevant insurance cover. However, such insurance cover may not always be available or economically justifiable and the policy provisions and exclusions may render a particular claim by Glory Resources outside the scope of the insurance cover.

While Glory Resources will undertake all reasonable due diligence in assessing the creditworthiness of its insurance providers, there will remain the risk that an insurer defaults in payment of a legitimate claim by Glory Resources under an insurance policy.

- **(Infrastructure risk)** Mining, processing, development and exploration activities depend on adequate infrastructure. Reliable roads and rail networks, power sources and water supply are important determinants, which affect capital and operating costs. There is no assurance that access to necessary infrastructure will always be available to Glory Resources on satisfactory terms, or at all. This could have a material impact on Glory Resources' performance.
- **(Occupational health and safety risk)** Glory Resources is committed to providing a healthy and safe environment for its personnel, contractors and visitors. Glory Resources provides appropriate instructions, equipment, preventative measures, first aid information and training to all stakeholders through its occupational health and safety management systems.
- **(Taxation risk)** Variations in the taxation laws of Australia, Greece and Canada could impact Glory Resources' financial performance and interpretation of taxation law could change, leading to a change in taxation treatment of investments or activities.

(b) General risks

A number of factors outside of Glory Resources' control may significantly impact Glory Resources, its performance and the market price of Glory Resources shares. These factors include:

- **(Economic risk)** General economic conditions, movements in interest and inflation rates, commodity prices and currency exchange rates may have an adverse effect on Glory Resources' exploration and any future development and production activities, as well as on its ability to fund those activities.

Of particular note, is the current adverse state of the Greek economy and concerns surrounding its national debt and the ability of the Greek state to service that debt as and when required. Given Sapes is located in Greece, Glory Resources may have greater exposure to the consequences of any perceived risk of default or actual default of the Greek government on its debts than a Company that does not have assets in Greece. These risks include, but are not limited to:

- the impact any such default may have on the political environment in Greece;
- unpredictable sentiment towards foreign investment in Greece;
- repatriation of foreign funds from Greece by holders of assets in Greece; and
- the social consequences of any austerity measures and other policies that may be considered or introduced to attempt to improve the state of the Greek economy.

Further, share market conditions may affect the value of Glory Resources' Shares regardless of Glory Resources' operating performance.

No assurances can be made that Glory Resources' performance will not be adversely affected by any such economic and market fluctuations or factors.

- **(Market conditions)** The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither Glory Resources nor the Glory Resources Directors warrant the future performance of Glory Resources or any return on an investment in Glory Resources.
- **(Dividends)** Any future determination as to the payment of dividends by Glory Resources will be at the discretion of the Glory Resources Directors and will depend on the availability of distributable earnings and operating results and financial condition of Glory Resources, future capital requirements and general business and other factors considered relevant by the Glory Resources Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by Glory Resources.
- **(Significant events)** Significant events may occur in Australia or internationally that could impact the market for commodities relevant to Glory Resources, Glory Resources' operations, the price of Shares and the economy generally. These events include war, terrorism, civil disturbance, political actions and natural events such as earthquakes and floods.

5 Taxation considerations

5.1 Introduction

The following is a general summary of the Australian income tax, goods and services tax and stamp duty implications for Shareholders who dispose of their Shares pursuant to the Offer.

This summary is not an exhaustive or authoritative statement of the Australian taxation laws applicable to the specific circumstances of Shareholders. In particular, this summary is limited to Shareholders who:

- hold their Shares on capital account (i.e. do not hold them as part of a trading business or otherwise on revenue account);
- have not acquired their Shares in respect of any employment or the provision of any services; and
- dispose of their Shares to Eldorado pursuant to the terms of the Offer.

This summary relies on the Australian laws in force as at the date of this Target's Statement. It does not consider or anticipate any future changes in Australian laws.

This summary does not constitute taxation advice and should not be relied on as such.

Shareholders are advised to seek professional taxation advice regarding the Australian taxation implications applicable to their particular circumstances prior to accepting the Offer.

5.2 Income tax implications for Australian residents

The following is a general statement of the Australian tax implications for Shareholders who are Australian tax residents and who dispose of their Shares pursuant to the terms of the Offer.

(a) CGT

The disposal of Shares pursuant to the terms of the Offer will constitute a capital gains tax ("**CGT**") event which will trigger the operation of the CGT provisions.

Shareholders will make a capital loss on the disposal of their Shares to the extent that the capital proceeds received under the Offer are less than the cost base of those Shares. A capital loss arising on the disposal of Shares can be offset against a capital gain made in the same income year, or carried forward to be offset against capital gains made in later years.

Shareholders will make a capital gain on the disposal of their Shares if the capital proceeds received under the Offer exceed the cost base of those Shares. A capital gain made on the disposal of Shares must be included in the assessable income of the Shareholder in the current income year.

Any capital gain made on the disposal of Shares may be reduced (after applying any available capital losses) to the extent that the Shareholder is entitled to a CGT discount (refer to paragraph (d) below).

(b) Capital proceeds

Broadly, the capital proceeds arising from a disposal of Shares (which are used to determine a CGT liability) includes the money and market value of any property received or entitled to be received under the Offer.

(c) **Cost base**

The cost base of a Shareholder's Shares should equal the amount a Shareholder paid for them (including incidental costs of acquisition and disposal).

(d) **CGT discount**

Broadly, Shareholders who are individuals, trusts or complying superannuation funds may be entitled to a CGT discount on disposal of their Shares if they have been held for at least 12 months.

If available, the CGT discount will reduce a net capital gain that would otherwise be assessable by:

- 50% for individuals and trusts; or
- 33.3% for complying superannuation entities.

The CGT discount will not be available for Shareholders that are companies.

5.3 Income tax implications for foreign residents

The following is a general statement of the Australian tax implications for Shareholders who are non-residents, and who dispose of their Shares pursuant to the terms of the Offer.

Non-resident Shareholders may be subject to Australian capital gains tax where the:

- non-resident Shareholder holds 10% or more of all Shares on issue; and
- Shares constitute an indirect interest in taxable Australian real property
- If either of these elements is absent, any capital gain or loss crystallised on the sale of the Shares will be disregarded for Australian tax purposes.
- On the basis that all of Glory Resources' underlying assets are not located in Australia, the Shares should not constitute an indirect interest in taxable Australian real property. Therefore, for non-resident Shareholders, any capital gain or loss crystallised on the sale of the Shares should be disregarded for Australian tax purposes.

Non-resident Shareholders should seek professional advice from their taxation advisor as to the taxation implications of disposing of their Shares pursuant to the terms of the Offer.

5.4 Goods and services tax implications

No GST should be payable by Shareholders in respect of the disposal of their Shares pursuant to the terms of the Offer.

5.5 Stamp duty implications

Stamp duty should not be payable by Shareholders on the disposal of their Shares pursuant to the terms of the Offer.

6 Additional information

6.1 Bid Implementation Deed

The Bid Implementation Agreement dated 31 October 2013 was entered into by Glory Resources and Eldorado to govern the implementation of the Offer.

A copy of the Bid Implementation Agreement was lodged with ASX on 31 October 2013 and is available on the Glory Resources' website (www.gloryresources.com.au).

Some key terms of the Bid Implementation Agreement are summarised below.

(a) Conditions impacting the conduct of Glory Resources' business

The Offer is subject to a number of Conditions which may impact the conduct of the operations of the business (see section 9.7)

While it is not anticipated that these Conditions will adversely impact Glory Resources in the short term, the effect of some of these Conditions is that Glory Resources may not be able to fulfil some of its current strategies (in particular related to its Greek regional political strategy) while the Offer continues. The Conditions that may impact other strategies of Glory Resources during the Offer Period include:

- (i) amending or terminating, or agreeing to amend or terminate, any contract, commitment or other arrangement where the financial impact upon Glory Resources and its subsidiaries taken as a whole will be or would be likely to be in excess of \$100,000;
- (ii) enters into any new financing arrangements; or
- (iii) entering into any agreement, arrangement, or transaction with respect to derivative instruments which relate to the price of gold or to interest rates (including but not limited to, swaps, futures contracts, forward commitments, commodity derivatives, hedges or options) or similar instruments

The parties have also agreed that between the Announcement Date and the end of the Offer Period (each inclusive), Glory Resources may incur, agree to pay or pay expenditure on the items set out in the 'Agreed Expenditure List' in Schedule 4 of the Bid Implementation Agreement without triggering a condition. Under this schedule, amongst other restrictions, Glory will be restricted to general expenditure incurred during the usual course of business equal to the greater of \$300,000 or \$100,000 per month.

It is also a Condition that Glory not incur or commit an amount of capital expenditure in excess of \$10,000, other than that which has been committed before the Announcement Date or that which is required for the day to day operating activities of Glory and its subsidiaries conducted in the same manner as before the Announcement Date, other than as specified in the Agreed Expenditure List.

These spending limits imposed on Glory will not impact greatly on the current activities of the business during the Offer period. There is no certainty on when or if at all Glory will receive its Drilling Permit or Development Permit for Sapes. Until these permits are received, Glory Resources' day to day business activities are not likely to incur expenditure greater than the imposed spending limits.

(b) Termination Right

In addition to the right to terminate for withdrawal of the Offer by Eldorado or for breach of a material provision of the agreement, either party may terminate the Bid Implementation Agreement on or after 28 February 2014 (ie 4 months from the date of the Bid

Implementation Agreement) if at that stage, Eldorado does not have a relevant interest of at least 50% in the shares of Glory Resources, and the offer has not become unconditional.

(c) Exclusivity

- *No shop*: Glory Resources must not directly or indirectly solicit, invite any Competing Proposal or any approach, inquiry or expression of interest which would reasonably be expected to lead to a Competing Proposal.
- *No talk*: Glory Resources must not participate in, continue, negotiate, accept, enter into or communicate with any Third Party of a proposed Competing Proposal, unless
 - Glory Resources' Board has formed the view, acting in good faith, and after receiving written advice from its external legal advisers, that by not providing information to the Third Party, the board will be breaching its fiduciary or statutory duties.
- *Matching right*: Glory Resources must not enter into any legally binding agreement or arrangement in relation to the implementation of any Competing Proposal and must procure that the Glory Resources' Directors do not change or withdraw their recommendation to publicly recommend a Competing Proposal, unless:
 - Glory Resources has provided Eldorado with written notice of the material terms and conditions of the Competing Proposal; and
 - Eldorado has not, within five Business Days after receipt of that notice, given written notice to Glory Resources in respect of a proposal which the Glory Resources Board considers, acting in good faith would, if implemented in accordance with its terms, result in an outcome for Shareholders that is as favourable as or more favourable than the Competing Proposal.

(d) Reimbursement fee

The Bid Implementation Agreement requires Glory Resources to reimburse Eldorado an amount of A\$300,000 if any of the following circumstances occur:

- if the Board fails to recommend to shareholders to accept the Offer in the absence of a Superior Proposal;
- if during the exclusivity period, the Board recommends to Shareholders to accept or vote in a Competing Proposal;
- if a Third Party acquires control of Glory Resources; or
- Glory Resources breaches a Condition of the Bid Implementation Agreement.

6.2 Shares & Options on issue

As at the date of this Target's Statement, Glory Resources' issued capital comprises 224,100,099 Shares.

As at the date of this Target's Statement, Glory Resources' has 29,585,000 Options on issue.

This includes the 1,200,000 Options approved by Glory Resources Shareholders at the Annual General Meeting held on 22 November 2013.

6.3 Options Offer

Eldorado will make a separate Options Offer to the holders of Options to have their Options cancelled in exchange for payment by Eldorado depending on the terms of their Options.

Conditions

The Options Offer will be subject to the following conditions:

- the Offer for all the Shares becomes, or is declared, unconditional;
- ASX grants Glory Resources a waiver from ASX Listing Rule 6.23, or the Optionholders of Glory Resources give the necessary approvals under ASX Listing Rule 6.23;
- in respect of the Options subject to ASX escrow restrictions which expire on 23 December 2013, either:
 - those escrow restrictions expire; or
 - the ASX grants Glory Resources and each relevant Optionholder consent for those Options to be cancelled prior to 23 December 2013; and
- any other regulatory approval being granted.

Amounts Payable

The amount payable to each Optionholder is dependent on the terms of their Options. The following table sets out the cash consideration payable in respect of the different Options on Issue:

Tranche	Number of Options	Subject to escrow	Exercise Price	Expiry Date	Consideration per Option (A\$)	Total Value (A\$)
Tranche 1	5,000,000	No	0.17	27-Jul-16	0.0875	437,548
Tranche 2	10,835,000	Yes - expiring 23-Dec-13	0.25	31-Oct-14	0.0340	368,790
Tranche 3	450,000	No	0.25	31-Oct-14	0.0340	15,317
Tranche 4	450,000	No	0.25	28-Feb-14	0.0116	5,215
Tranche 5	250,000	No	0.25	28-Feb-14	0.0116	2,897
Tranche 6	10,000,000	No	0.17	15-Aug-16	0.0882	882,239
Tranche 7	1,400,000	No	0.25	30-Jun-14	0.0238	33,303
Tranche 8 ⁽¹⁾	1,200,000	No	0.25	28-Feb-14	0.0116	13,907
Total	29,585,000					1,759,216

(1) Options approved by Glory Resources shareholders at the Annual General Meeting held on 22 November 2013.

Valuation Method

The Options are valued on the basis of the Black-Scholes option valuation method as valued on 23 October 2013. The valuation method assumes:

- Volatility: All Options assume 80% volatility; and
- Risk-free rate: Tranche 1 and 2 assume 3.01%, Tranche 3 to 5 assume 2.51%.

Payment

Eldorado will pay the Optionholders by cheque which will be sent to the Optionholder by the later of 10 Business Days after:

- satisfying the above conditions; or
- Eldorado receiving a signed Option Agreement.

6.4 ASX waiver and consent

On 25 November 2013, ASX granted Glory Resources a waiver from ASX Listing Rule 6.23 and also consent to the cancellation of those Options which are subject to the escrow restrictions as set out in the table above. The effect of this waiver and consent is that all of the Options can now be cancelled without any further shareholder approval or Glory Resources breaching its prior undertakings to ASX. This satisfies two of the conditions to the Options Offer as set out above.

6.5 Glory Resources Directors' interests in Shares and Options

The table below sets out the number of Shares and Options in which each Glory Resources Director has a relevant interest as at the date of this Target's Statement.

Glory Resources Director	Number of Shares	Number of Options	Details of Options (exercise price, expiry date)
Jeremy Wrathall	0	1,500,000	\$0.25, 31 October 2014
		1,000,000	\$0.25, 28 February 2014
Jason Bontempo	2,600,000	3,000,000	\$0.17, 27 July 2016
		1,500,000	\$0.25, 31 October 2014
Bernard Aylward	0	1,000,000	\$0.17, 27 July 2016
		800,000	\$0.25, 31 October 2014
Lui Giuliani	0	200,000	\$0.25, 28 February 2014

6.6 Dealings in Shares

There have been no acquisitions or disposals of Shares by any Glory Resources Director in the four months ending on the date of this Target's Statement.

6.7 Benefits and agreements

(a) Directorships

As at the date of this Target's Statement, no Glory Resources Director is a director of Eldorado.

(b) Agreements connected with or conditional on the Offer

(i) Directors

It is Eldorado's current intention that Jason Bontempo's position will be terminated and that he will be offered a 3 month consultancy agreement.

Other than in their capacity as a holder of Shares or as otherwise disclosed in this Target's Statement, there are no other agreements made between any other Glory Resources Director and any other person in connection with, or conditional upon, the outcome of the Offer.

(ii) Cape Lambert

Glory Resources also has certain deferred obligations to Cape Lambert Resources Limited (**Cape Lambert**) in respect of Sapes (which was acquired from Cape Lambert in December 2011). These obligations require Glory Resources to make a payment of A\$10 million in aggregate (in cash or through the issue Shares) to Cape Lambert subject to certain Sapes project milestones, which to date have not been met.

Glory Resources understands that Cape Lambert has agreed to waive these rights subject to certain conditions, including the payment by Eldorado to Cape Lambert of A\$6.5 million. Details are set out in section 8.5 of the Bidder's Statement.

(c) Benefits from the Offer

Other than as disclosed in this Target's Statement, no Glory Resources Director has agreed to receive, or is entitled to receive, any benefit from Eldorado which is conditional on, or is related to, the Offer, other than in their capacity as a holder of Shares.

6.8 Compulsory acquisition

(a) Compulsory acquisition in connection with the Offer

Eldorado has stated in section 6.2 of the Bidder's Statement that if it becomes entitled to do so under the Corporations Act, it intends to give notices to compulsorily acquire any outstanding Shares in accordance with Part 6A.1 of the Corporations Act.

Eldorado will be entitled to compulsorily acquire any Shares in respect of which it has not received an acceptance of the Offer on the same terms as the Offer if, during or at the end of the Offer Period, Eldorado (together with its Associates) has a relevant interest in at least 90% (by number) of Shares.

If this threshold is met, Eldorado will have up to one month after the end of the Offer Period within which to give compulsory acquisition notices to Shareholders who have not accepted the Offer. Shareholders have statutory rights to challenge the compulsory acquisition, but a successful challenge will require the relevant Shareholder to establish

to the satisfaction of a Court that the consideration offered does not represent “fair value” for their Shares.

Shareholders who have their Shares compulsorily acquired will be paid their consideration later than Shareholders who accept the Offer.

(b) General compulsory acquisition

If, following closure of the Offer Period, Eldorado becomes the holder of full beneficial interests in at least 90% (by number) of the Shares (for example, by subsequent acquisitions of Shares), it will be entitled to compulsorily acquire any outstanding Shares in accordance with Part 6A.2 of the Corporations Act.

6.9 Material contracts

To the best of the Glory Resources Directors' knowledge, none of the material contracts to which Glory Resources is a party contain change in control provisions which may be triggered as a result of, or as a result of acceptances of, the Eldorado's Offer and which may have a material adverse effect on the assets and liabilities, financial position and performance, profits and losses and prospects of Glory Resources.

6.10 Continuous disclosure

Glory Resources is a disclosing entity and is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules.

Copies of documents filed with ASX by Glory Resources may be obtained from the ASX website at www.asx.com.au or from the Glory Resources website at www.gloryresources.com.au. Copies of documents lodged with ASIC in relation to Glory Resources may also be obtained from, or inspected at, an ASIC office.

6.11 Consents

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

- each Director to being named as a Director, to the inclusion of statements made by that Director and to the references to those statements;
- Azure Capital as a financial adviser; and
- Gilbert + Tobin as legal adviser.

Each of the above persons:

- does not make, or purport to make, any statement in this Target's Statement; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Target's Statement.

As permitted by ASIC Class Order 01/1543, this Target's Statement contains statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Pursuant to the Class Order, the consent of Eldorado is not required for, and those persons have not consented to, the inclusion of such statements in this Target's Statement. Shareholders may, during the Offer Period, obtain a copy of those documents (free of charge) by contacting the Glory Resources Shareholder Information Line on 1300 552 878 (within Australia) or +61 8 6160 4906 (outside Australia) at any time between 8.30am and 5.30pm (Perth time) on Monday to Friday, or at glory@magnus.net.au.

As permitted by ASIC Class Order 03/635, this Target's Statement may include or be accompanied by statements fairly representing a statement by an official person, or statements from a public official document or a published book, journal or comparable publication.

As permitted by ASIC Class Order 07/429, this Target's Statement contains share price data sourced from Bloomberg without its consent.

6.12 No other material information

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

- only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Target's Statement; and
- only if the information is known to any of the Glory Resources Directors.

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

- the Bidder's Statement (to the extent that the information is not inconsistent with or superseded by information in this Target's Statement);
- Glory Resources' annual reports and releases to ASX before the date of this Target's Statement;
- documents lodged by Glory Resources with ASIC before the date of this Target's Statement; and
- this Target's Statement.

The Glory Resources Directors have assumed, for the purposes of preparing this Target's Statement, that the information contained in the Bidder's Statement is accurate. However, the Glory Resources 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 of the statements contained in it.

7 Glossary and Interpretation

Glossary

The following defined terms in this Target's Statement have the meanings set out below.

Acceptance Form means the acceptance form enclosed with the Bidder's Statement.

Announcement Date means the date of the first announcement of the Takeover Bid by Eldorado.

ASIC means the Australian Securities & Investments Commission.

Associate has the meaning it has in section 12 of the Corporations Act as if subsection (1) of that section included a reference to the Bid Implementation Deed.

ASX means ASX Limited (ABN 98 008 624 691) or, as the context requires, the financial market known as the "Australian Securities Exchange" operated by that entity.

ASX Settlement means ASX Settlement Pty Limited (ABN 49 008 504 532).

ASX Settlement Operating Rules means the operating rules of ASX Settlement.

Bid Implementation Agreement means the takeover bid implementation agreement dated 31 October 2013 between Eldorado and Glory Resources.

Bidder's Statement means the bidder's statement of Eldorado in relation to the Offer dated 22 November 2013.

Business Day means a day that is not a Saturday, Sunday, a public holiday or bank holiday in Perth.

CGT means capital gains tax.

Change of Control Rights has the meaning given in the definition of Relevant Material Contract.

CHESS Holding means a holding of Shares on the CHESS Subregister of Glory Resource.

CHESS Subregister has the meaning given in the ASX Settlement Operating Rules.

Competing Proposal any proposal, agreement, arrangement or transaction, which, if entered into or completed, would mean a Third Party (either alone or together with any Associate) may:

- (a) directly or indirectly acquire a Relevant Interest in, or have the right to acquire, a legal, beneficial or economic interest in, or control of, 15% or more of the Shares or of the share capital of any subsidiary of Glory Resources;
- (b) acquire Control of Glory Resources or a subsidiary of Glory Resources;
- (c) otherwise (whether directly or indirectly) acquire or become the holder of, have a right to acquire or have an economic interest in all or a material part of Glory Resources' business or assets or the business or assets of any subsidiary of Glory Resources (including, for the avoidance of doubt, Sapes);

- (d) otherwise acquire (whether directly or indirectly) or merge with Glory Resources or a subsidiary of Glory Resources; or
- (e) enter into any agreement, arrangement or understanding requiring Glory Resources or any of the Directors to (i) change, withdraw or modify the Directors' recommendation of the Takeover Bid or (ii) not to recommend the Takeover Bid,

whether by way of takeover bid, scheme of arrangement, trust scheme, securityholder approved acquisition, capital reduction or buy back, relevant agreement, sale or purchase of shares, units, securities or assets, global assignment of assets and liabilities, incorporated or unincorporated joint venture, dual-listed company (or other synthetic merger), derivative, swap, synthetic instrument or other transaction, arrangement or security.

Conditions means the conditions of the Offer set out in section 9 and section 9.7 of the Bidder's Statement.

Controlling Participant has the meaning given in the ASX Settlement Operating Rules.

Corporations Act means the *Corporations Act 2001* (Cth) and any regulations made under that Act.

Development Permit means approval of the Environmental Impact Study for the development and construction of gold mining activities at Sapes from the Greek Minister of the Environment, Energy and Climate Change.

Drilling Permit means approval of the Drilling Environmental Impact Study for Glory Resources' maiden 5,000m exploration drilling program at Sapes from the Greek Minister of the Environment, Energy and Climate Change.

Eagle Lake Project means the mining claims known as the Eagle Lake project, located in the Thunder Bay general area, Ontario, Canada.

Eldorado means Eldorado Gold Coöperatief UA (Commercial Register No. 53699351), an indirect wholly owned subsidiary of Eldorado Gold Corporation.

EIS means Environmental Impact Study.

Glory Group means Glory Resources and each of its subsidiaries.

Glory Mining Rights means the Mining Rights held by the Glory Group including the Sapes Gold Project Mining Rights.

Glory Resources or **Company** means Glory Resources Limited (ABN 38 142 870 102).

Glory Resources Board means the board of directors of Glory Resources.

Glory Resources Directors means the directors of Glory Resources.

Glory Resources Shareholder Information Line means the information line established by Glory Resources to answer questions from Shareholders about the Offer.

Glory Warranties means the representations and warranties of Glory set out in clause 9.1 and clause 9.2 of the Bid Implementation Agreement.

Government Licences mean permits, certificates, licences, approvals, consents and other authorisations issued by appropriate federal, provincial, state, local or foreign regulatory agencies or bodies.

JORC Code means the Australasian Code for Reporting of Exploration Results, Resources and Ore Reserves (2012 Edition).

JSE means the Johannesburg Stock Exchange.

Listing Rules means the official listing rules of ASX as amended or varied from time to time.

Material Contract means any agreement, contract, deed or other arrangement or instrument which:

- (a) involves the provision of financial accommodation to Glory Resources or any subsidiary of Glory Resources;
- (b) imposes obligations or liabilities on any party of at least \$100,000 per annum or \$300,000 over the life of the agreement, contract, deed or other arrangement or instrument;
- (c) is material in the context of the businesses of the Glory Group taken as a whole;
- (d) is entered into by, or granted or issued to, Glory Resources or any of its subsidiaries, in connection with Sapes, including any mining tenements or lease contracts granted by the Greek government; or
- (e) is entered into by, or granted or issued to, Glory Resources or any of its subsidiaries, in connection with the Onion Lake Project, including the Onion Lake JVA.

MinSec Deferred Share Consideration means the Tranche 1 Share Consideration and the Tranche 2 Share Consideration.

MOU means the Greek Minister of Environment, Energy and Climate Change.

Offer means the offer for Shares under the terms and conditions contained in section 9.7 of the Bidder's Statement and **Offers** means all such offers.

Offer Period means the period during which the Offer will remain open for acceptance in accordance with section 9.2 of the Bidder's Statement.

Onion Lake Deferred Consideration means 4,000,000 Shares that may be issued in accordance with clause 6(b)(ii) of the heads of agreement dated 20 September 2010 between Glory Resources (as buyer) and the Quetico Sellers (as sellers).

Onion Lake JVA means the Onion Lake option and joint venture agreement dated 1 September 2009 between Quetico Resources Limited and Benton Resources Corp and such other agreements governing the joint venture between Quetico Resources Limited and Benton Resources Corp in relation to the Onion Lake Project.

Onion Lake Project means the mining claims known as the Onion Lake project, located in the Thunder Bay general area, Ontario, Canada.

Options means the options in Glory Resources issued at the time of this Target's Statement

Option Agreement means the agreement entered into between Eldorado and the Optionholder for the sale of the Optionholders Options in Glory Resources.

Optionholder means any persons, or related entity, holding Options in Glory Resources.

Options Offer means the offer for Options by Eldorado.

PEIS means Preliminary Environmental Impact Study.

Perth time means the local time in Perth, Western Australia, Australia.

Public Authority any government or any governmental, semi governmental, statutory or judicial entity, agency or authority, whether in Australia, Canada, Greece, Netherlands or the United States of America, or elsewhere, including:

- (a) the Ministry of Environment, Energy & Climate Change – Division of Mines and the Hellenic Competition Commission; and
- (b) any self regulatory organisation established under statute or otherwise discharging substantially public or regulatory functions, and ASX, TSX, NYSE or any other stock exchange and the Takeovers Panel, the Foreign Investment Review Board, ASIC and any other securities regulator.

Quetico Sellers means each of:

- (a) Robert Gherghetta;
- (b) Stephen Paul West;
- (c) S West Nominees Pty Ltd as trustee for The Bellini Trust;
- (d) Bronzewing Investments Pty Ltd;
- (e) Scott Pagel;
- (f) Jameson Buxton;
- (g) Jonathan Buxton;
- (h) C C S Soh & C M Soh as trustee for Charles & Cecilia Superannuation Fund;
- (i) Sanembaore Sarl Pty Ltd;
- (j) Clement Joseph Baker;
- (k) Peter Kym Williams;
- (l) J P Walsh & M L Walsh as trustee for the John Walsh Superannuation Fund;
- (m) Hillspark Nominees Pty Ltd as trustee for The West Superannuation Fund; and
- (n) Stares Contracting Corp.

Regulatory Conditions means the Conditions in section 9.1 and 9.2.

Related Body Corporate has the meaning set out in the Corporations Act.

Relevant Interest has the meaning given in sections 608 and 609 of the Corporations Act.

Relevant Material Contract means a Material Contract under which any person or party to such Material Contract (other than Glory or any of its subsidiaries) has the right to:

- (a) terminate that Material Contract;
- (b) vary, amend or modify that Material Contract;

- (c) exercise or enforce any right under that Material Contract; or
- (d) benefit from the operation of a provision which automatically terminates, varies, amends or modifies that Material Contract,

(each a **Change of Control Right**) (including where that Change of Control Right is subject to (x) the satisfaction or failure of a contingency or condition or (y) one or more defeating conditions to the Offer being fulfilled or freed) as a direct or indirect result of:

- (a) Eldorado announcing or making the Offer;
- (b) Eldorado acquiring, or acquiring a Relevant Interest in, any Shares;
- (c) Eldorado obtaining a Relevant Interest in 50% or more of the Shares then on issue;
- (d) Eldorado acquiring control of Glory;
- (e) Eldorado implementing or seeking to implement any of its intentions for Glory as described in the Bidder's Statement; or
- (f) any of the Directors making a recommendation in relation to the Offer.

Sapes means the gold project contained within Sapes Lease Contract, situated in the areas of Rhodope and Evros Prefectures, Greece, held by Thrace Minerals SA.

Scarborough SSA means the share sale agreement dated 21 October 2011 between MinSec, Cape Lambert, Rhodopi Minerals Ltd and Glory, a copy of which was attached to the substantial holder notice given to the ASX by Dempsey Resources Pty Limited and Cape Lambert on 21 December 2011.

Section means a section of this Target's Statement.

Security Interest has the same meaning as in section 51A of the Corporations Act.

Shareholder means a holder of one or more Shares.

Share means a fully paid ordinary share in the capital of Glory Resources.

Superior Proposal means a bona fide Competing Proposal of the kind referred to in any of paragraphs 2, 3 or 4 of the definition of Competing Proposal (and not resulting from a breach by Glory Resources of any of its obligations under clause 7 of the Bid Implementation Agreement (it being understood that any actions by a Related Person of Glory Resources in breach of clause 7 of the Bid Implementation Agreement will be deemed to be a breach by Glory Resources for the purposes hereof)) which the Glory Resources Board, acting in good faith, and after receiving written legal advice from its legal advisers and written advice from its financial advisers, determines:

- (a) is reasonably capable of being valued and completed taking into account all aspects of the Competing Proposal, including any timing and financing considerations and any conditions precedent; and
- (b) would, if completed substantially in accordance with its terms, be more favourable to Shareholders (as a whole) than the Takeover Bid (as such Takeover Bid may be amended or varied following application of the matching right set out in clause 7.5 of the Bid Implementation Agreement), taking into account all terms and conditions of the Competing Proposal.

Takeover Bid means the off market takeover bid constituted by the dispatch of the Offers to Shareholders in accordance with the Corporations Act.

Target's Statement means this document.

Third Party means a person other than Eldorado or an Associate of Eldorado.

Tranche 1 Share Consideration has the meaning given in the Scarborough SSA.

Tranche 2 Share Consideration has the meaning given in the Scarborough SSA.

TSX means the Toronto Stock Exchange.

Way Lake Project means the mining claims known as the Way Lake project, located in the Thunder Bay general area, Ontario, Canada

Way Lake Deferred Consideration means 4,000,000 Shares that may be issued in accordance with clause 6(b)(iii) of the heads of agreement dated 20 September 2010 between Glory Resources (as buyer) and the Quetico Sellers (as sellers).

Interpretation

- (a) Words and phrases to which a meaning is given by the Corporations Act or the Listing Rules have that meaning in this Target's Statement unless that meaning is inconsistent with the context in which the word or phrase is used.
- (b) Headings are for convenience only and do not affect the interpretation of this Target's Statement.
- (c) The singular includes the plural and vice versa and words importing any gender include the other gender, and references to persons include corporations, other bodies corporate, unincorporated bodies, partnership, joint ventures or associations.
- (d) Where a term is defined, its other grammatical forms have a corresponding meaning.
- (e) References to time are references to the time in Perth, Australia on the relevant date, unless stated otherwise.
- (f) 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.
- (g) "\$" or "A\$" or "AUD" is a reference to the lawful currency of Australia.

8 Approval of this Target's Statement

This Target's Statement has been approved by a resolution passed by the Glory Resources Directors.

Signed for and on behalf of Glory Resources Limited

A handwritten signature in black ink, appearing to read 'P. Leverington', with a stylized flourish at the end.

Pip Leverington
Company Secretary

4 December 2013

9 Conditions

9.1 Regulatory approvals

Before the end of the Offer Period, all applicable regulatory waiting periods have expired or been terminated and all approvals, authorisations or consents (whether in the form of negative clearance letters or otherwise) that are required by law, or by any Public Authority whether in Australia, Canada, Greece, Netherlands, the United States of America or elsewhere, as are necessary to permit:

- (a) the Offer to be lawfully made to and accepted by Shareholders; and
- (b) the transaction contemplated by the Bid Implementation Agreement and the Bidder's Statement to be completed,

are granted, given, made or obtained on an unconditional basis, remain in full force and effect in all respects, and do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

9.2 Greek approvals

Without limiting the bid condition contained in clause 9.1 (Regulatory approvals), before the end of the Offer Period, all approvals, authorisations or consents (whether in the form of negative clearance letters or otherwise) required from each of the following Greek authorities and agencies:

- (a) Ministry of Environment, Energy & Climate Change – Division of Mines; and
- (b) Hellenic Competition Commission,

as are necessary to permit:

- (c) the Offer to be lawfully made to and accepted by Shareholders; and
- (d) the transaction contemplated by the Bid Implementation Agreement and the Bidder's Statement to be completed,
 - (i) are granted, given, made or obtained on an unconditional basis and without any compromise or prejudice to the interest of either the Glory Group in Sapes as at the Announcement Date, Eldorado in any of its assets or any Related Body Corporate of Eldorado in any of its assets,
 - (ii) remain in full force and effect in all respects; and
 - (iii) do not become subject to any notice, intimation or indication of intention to revoke, suspend, restrict, modify or not renew the same.

9.3 No regulatory action

Between the Announcement Date and the end of the Offer Period (each inclusive):

- (a) there is not in effect any preliminary or final decision, order or decree issued by any Public Authority;
- (b) no action or investigation is announced, commenced or threatened by any Public Authority; and
- (c) no application is made to any Public Authority (other than by Eldorado or any Associate of Eldorado),

as a consequence of or in connection with the Offer (other than an application to, or a decision or order of, ASIC or the Takeovers Panel in exercise of the powers and discretions conferred by the Corporations Act) which:

- (a) restrains, prohibits or impedes, or threatens to restrain, prohibit or impede, or materially impact upon, the making of the Offers and the completion of any transaction contemplated by the Bid Implementation Agreement and the Bidder's Statement;
- (b) requires the divestiture by Eldorado of any Shares or any material assets of Glory or any subsidiary of Glory; or
- (c) requires the divestiture by Eldorado, or any Related Body Corporate of Eldorado, of any of its assets.

9.4 Minimum acceptance

- (a) At the end of the Offer Period, Eldorado has a Relevant Interest in at least 90% of the Shares (on a fully diluted basis).
- (b) At the end of the Offer Period, Eldorado has a Relevant Interest in at least 90% of the Options.

9.5 No material adverse change

- (a) Between the Announcement Date and the end of the Offer Period (each inclusive), none of the following occurs:
 - (i) an event, change, condition, matter or thing (including a decision of a Public Authority or a change in law) occurs or will or is reasonably likely to occur;
 - (ii) information is disclosed or announced by Glory concerning any event, change, condition, matter or thing; or
 - (iii) information concerning any event, change, condition, matter or thing becomes known to Eldorado (whether or not becoming public),

(each of (i), (ii) and (iii), a Specified Event) which, whether individually or when aggregated with all such events, changes, conditions, matters or things (including decisions of a Public Authority and changes in law) of a like kind, has had or would be considered reasonably likely to have:
- (iv) a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the Glory Group taken as a whole; or
- (v) without limiting the generality of clause 9.5(a)(iv):
 - (A) the effect of a loss or diminution in the value of the consolidated net assets of the Glory Group, taken as a whole, by at least \$5 million against what it would reasonably have been expected to have been but for such Specified Event;
 - (B) the effect of a loss or diminution of any portion of the Glory Group's interest in the assets comprising Sapes;
 - (C) the effect of impairing, terminating or otherwise adversely affecting or changing any Glory Mining Rights, or Government Licences issued in connection with Glory Mining Rights and other property interests, in each case in connection with Sapes;

- (D) the effect of requiring the divestiture by Eldorado, or any Related Body Corporate of Eldorado, of any of Eldorado's assets, provided that such effect is a direct or indirect result of the acquisition, or proposed acquisition, of Shares by Eldorado or of the announcement or making of the Takeover Bid; or
- (E) the effect or result of requiring the divestiture or expropriation of, or other form of forced sale of or governmental involvement in, any of the operations or assets of the Glory Group,

where the impact of the effect or effects in:

- (F) clause 9.5(a)(v)(B)(C) and 9.5(a)(v)(D)(E) is a loss or diminution in the value of the consolidated net assets of the Glory Group, taken as a whole, by at least \$5 million against what it would reasonably have been expected to have been but for such Specified Event; and
- (G) clause 9.5(a)(v)(C)(D) is a loss or diminution in the value of the consolidated net assets of the Eldorado group, taken as a whole, by at least \$5 million against what it would reasonably have been expected to have been but for such Specified Event .

(b) For the purposes of clause 9.5(a), a Specified Event shall not include:

- (i) matters fully and fairly disclosed:
 - (A) to Eldorado in the Glory diligence materials; or
 - (B) in Glory Resources' public filings with the ASX and ASIC prior to the date of this agreement;
- (ii) changes in government or political conditions generally, at the national and regional level in the countries in which Glory operates;
- (iii) changes in general economic conditions and gold prices in the countries in which Glory operates;
- (iv) changes in law applying to mining activities in the countries in which Glory operates;

other than any of the foregoing changes in clauses 9.5(b)(ii), 9.5(b)(iii) or 9.5(b)(iv) which either:

- (v) are directed at the operations or assets of the Glory Group;
- (vi) affect the Glory Group disproportionately more than other mining or exploration companies;
- (vii) could, or could reasonably be expected to, result in the divestiture or expropriation of, or other form of forced sale of or governmental involvement in, any of the operations or assets of (i) the Glory Group or (ii) Eldorado or any Related Body Corporate of Eldorado; or
- (viii) involve an increase in taxes, royalties or duties (or equivalent) payable by (i) the Glory Group or (ii) Eldorado or any Related Body Corporate of Eldorado.

(c) For the purposes of clause 9.5(a), Eldorado shall not be taken to know of information concerning any event, change, condition, matter or thing before the Announcement Date unless the information has been disclosed by Glory in its public filings with the ASX before the Announcement Date.

9.6 No prescribed occurrences

Between the Announcement Date and the date 3 Business Days after the end of the Offer Period (each inclusive), none of the following prescribed occurrences (being the occurrences listed in section 652C of the Corporations Act) happen:

- (a) Glory converting all or any of the Shares into a larger or smaller number of shares under section 254H of the Corporations Act;
- (b) Glory or a subsidiary of Glory resolving to reduce its share capital in any way;
- (c) Glory or a subsidiary of Glory entering into a buyback agreement or resolving to approve the terms of a buyback agreement under subsections 257C(1) or 257D(1) of the Corporations Act;
- (d) Glory or a subsidiary of Glory making an issue of Shares (other than Shares issued as a result of the exercise of the Options into Shares) or granting an option over the Shares or agreeing to make such an issue or grant such an option;
- (e) Glory or a subsidiary of Glory issuing, or agreeing to issue, convertible notes;
- (f) Glory or a subsidiary of Glory disposing or agreeing to dispose, of the whole, or a substantial part, of its business or property;
- (g) Glory or a subsidiary of Glory granting, or agreeing to grant, a Security Interest in the whole, or a substantial part, of its business or property;
- (h) Glory or a subsidiary of Glory resolving that it be wound up;
- (i) the appointment of a liquidator or provisional liquidator of Glory or of a subsidiary of Glory;
- (j) the making of an order by a court for the winding up of Glory or of a subsidiary of Glory;
- (k) an administrator of Glory or of a subsidiary of Glory being appointed under section 436A, 436B or 436C of the Corporations Act;
- (l) Glory or a subsidiary of Glory executing a deed of company arrangement; or
- (m) the appointment of a receiver, receiver and manager, other controller (as defined in the Corporations Act) or similar official in relation to the whole, or a substantial part, of the property of Glory or of a subsidiary of Glory.

9.7 Acquisitions, disposals and other matters

Between the Announcement Date and the end of the Offer Period (each inclusive), unless Eldorado provides prior approval in writing, neither Glory nor any of its subsidiaries:

- (a) acquires or disposes of, or enters into, agrees to enter into or announces any agreement for the acquisition or disposal of, any asset or business, or enters into any transaction, which would or would reasonably be likely to involve a material change in:
 - (i) the manner in which Glory and its subsidiaries conduct their businesses;
 - (ii) the nature (including balance sheet classification), extent or value of the assets of Glory and its subsidiaries;

- (iii) the nature (including balance sheet classification), extent or value of the liabilities of Glory and its subsidiaries; or
- (b) without limiting clause 9.7(a), enters into or agrees to enter into or announces any agreement or transaction which would or (subject to one or more conditions) may involve Glory or any of its subsidiaries:
 - (i) disposing or offering or agreeing to dispose (including by granting or offering or agreeing to grant any rights to third parties) of any right, title or interest in Sapes;
 - (ii) acquiring, or agreeing to acquire, one or more companies, trusts, businesses, real property or material asset (or any interest in any of the foregoing) or any interest in any incorporated or unincorporated joint venture;
 - (iii) disposing, or agreeing to dispose of one or more subsidiaries, companies, trusts, businesses, real property or material asset (or any interest in any of the foregoing);
 - (iv) without limiting clause 9.7(b)(ii), entering into any contract, commitment or arrangement (including leasing, acquiring, or offering or agreeing to acquire or lease, any asset) that:
 - (A) requires payments or foregoing of revenue by Glory and/or any of its subsidiaries of an amount in excess of \$20,000 on an individual basis or which, when aggregated with all other payments that are permitted by this clause 9.7(b)(iv), would exceed \$100,000 (other than as specified in the Agreed Expenditure List); or
 - (B) which (i) requires payments or foregoing of revenue by Glory and/or any of its subsidiaries of an amount in excess of \$20,000 on an individual basis or which, when aggregated with all other payments that are permitted by this clause 9.7(b)(iv), would exceed \$100,000, and (ii) cannot be terminated on less than 12 months' notice without penalty (other than as specified in the Agreed Expenditure List); or
 - (C) is not in the ordinary course of business; or
 - (v) receiving financial accommodation, other than from members of the Glory Group or providing financial accommodation, other than to members of the Glory Group;
- (c) gives or agrees to give any encumbrance over any of its assets (including any of the Projects), other than liens in the ordinary and usual course of business;
- (d) makes any change to its constitutional documents or passes any ordinary, special or extraordinary resolutions (other than any resolutions proposed in the notice of annual general meeting of Glory dated 17 October 2013);
- (e) amends the terms of issue of any of the Shares, Options or other securities of Glory;
- (f) enters into a contract or commitment restraining it from competing with any person or conducting activities which are material to its business in any market;
- (g) accepts as a compromise of a matter less than the full compensation due to it where the compromise is more than \$10,000 or waives any material third party default where the financial impact upon Glory and its subsidiaries taken as a whole will be in excess of \$10,000 (in each case other than as specified in the Agreed Expenditure List);

- (h) enters into, amends, or agrees to enter into or amend or compromises any contract, commitment or other arrangement with a related party of Glory;
- (i) amends or terminates, or agrees to amend or terminate, any contract, commitment or other arrangement where the financial impact upon Glory and its subsidiaries taken as a whole will be or would be likely to be in excess of \$100,000 (other than as specified in the Agreed Expenditure List);
- (j) enters into or materially amending any employment, consulting, severance or similar agreement or arrangement with officers, directors, other executives or employees of Glory or a subsidiary or otherwise materially increasing compensation or benefits or accelerating compensation or benefits for any of the above, including, the payment to any employee, director or consultant of moneys accrued to but not paid to those individuals as at the date of this agreement (other than as specified in the Agreed Expenditure List);
- (k) declares, agrees to pay or becomes liable to pay a bonus (or similar payment) to any director, officer, employee, consultant or contractor of any member of the Glory Group, other than pursuant to (i) a resolution of the Glory Resources Board passed before 30 June 2013 or (ii) a contract or arrangement entered into before 30 June 2013 (but not pursuant to an amendment to such contract or arrangement made after 30 June 2013);
- (l) does anything that would result in a de-consolidation of the Glory Consolidated Tax Group. For the purposes of this clause 9.7, "Glory Consolidated Tax Group" means the Consolidated Group of which Glory is the head company (as defined for the purposes of the Tax Act) and "Glory Consolidated Group" means Glory and each of its subsidiaries;
- (m) incurs, or agrees to make or incur, any financial indebtedness, except in respect of trade indebtedness in the ordinary course of business;
- (n) enters into any new financing arrangements;
- (o) enters into any agreement, arrangement, or transaction with respect to derivative instruments which relate to the price of gold or to interest rates (including but not limited to, swaps, futures contracts, forward commitments, commodity derivatives, hedges or options) or similar instruments;
- (p) enters into, offers to enter into, or announces that it proposes to enter into, any joint venture, asset or profit sharing, partnership, royalty, commodity pre-purchase, offtake or mineral streaming agreement or makes an announcement in relation to such a commitment;
- (q) enters into or resolves to enter into a transaction with any related party of Glory (other than a related party which is a member of the Glory Group) as defined in section 228 of the Corporations Act which would require shareholder approval under Chapter 2E of the Corporations Act or under Chapter 10 of the Listing Rules;
- (r) changes any accounting policy applied by Glory or any of its subsidiaries to report their financial position other than any change in policy required by a change in accounting standards;
- (s) amends in any material respect any arrangement in place as at the Announcement Date with an existing financial adviser, or enters into any arrangements with one or more new financial advisers which may involve the payment of fees in excess of \$10,000 (individually or in aggregate), in respect of the Takeover Bid (other than as specified in the Agreed Expenditure List); or

- (t) announces an intention to undertake or carry out, or undertakes or carries out, a rights issue, placement or some other form of capital raising.

9.8 Capital expenditures

Between the Announcement Date and the end of the Offer Period (each inclusive), Glory does not incur or commit to incur an amount of capital expenditure in excess of \$10,000, other than:

- (a) capital expenditure that has been announced by Glory before the Announcement Date as intended to be incurred or committed; or
- (b) capital expenditure in the day to day operating activities of the business of Glory and its subsidiaries conducted in the same manner as before the Announcement Date; or
- (c) as specified in the Agreed Expenditure List.

9.9 No persons entitled to exercise or exercising rights under certain agreements or instruments

Before the end of the Offer Period, each relevant person or party to each Relevant Material Contract (as the case may be) provides to Glory in writing a binding, irrevocable and unconditional waiver or release of all change of control rights in such relevant material contracts as defined in the Bid Implementation Agreement (**Relevant Release**) and Glory provides a copy of each such Relevant Release to Eldorado.

9.10 MinSec Deferred Share Consideration

Between the Announcement Date and the end of the Offer Period (each inclusive), none of the MinSec Deferred Share Consideration is paid or issued or becomes payable or issuable.

9.11 Onion Lake Deferred Consideration and Way Lake Deferred Consideration

- (a) At no stage from the Announcement Date until the end of the Offer Period (each inclusive) does Glory (either directly or indirectly, including through a subsidiary) have more than a 30% interest in the Onion Lake Project.
- (b) Neither Glory nor any of its subsidiaries has, at any time before the Offer Period:
 - (i) commissioned or obtained a feasibility study on either of the Way Lake Project or the Eagle Lake Project; or
 - (ii) an obligation to pay or issue the Way Lake Deferred Consideration.
- (c) Between the Announcement Date and the end of the Offer Period (each inclusive), none of the Onion Lake Deferred Consideration (or part thereof) or Way Lake Deferred Consideration (or part thereof) is paid or issued or becomes payable or issuable.

9.12 No litigation on foot or pending

Between the Announcement Date and the end of the Offer Period (each inclusive), no litigation against Glory which may reasonably result in a judgment of \$100,000 or more is commenced, is threatened to be commenced, is announced, or is made known to Eldorado (whether or not becoming public) or Glory, other than that which is in the public domain as at the Announcement Date.

9.13 No distributions

Between the Announcement Date and the end of the Offer Period (each inclusive), Glory does not announce, make, declare or pay any distribution (whether by way of dividend, capital reduction or otherwise and whether in cash or in specie) or agree to do any of the foregoing.

9.14 No breach of representation or warranty

Between the Announcement Date and the end of the Offer Period (each inclusive), the Glory Warranties are true and correct in all material respects.

9.15 No persons entitled to securities in Glory

Between the Announcement Date and the end of the Offer Period (each inclusive), Eldorado does not discover that the information contained in Schedule 2 of the Bid Implementation Agreement is untrue, incomplete or inaccurate in any respect or that other than as set out in Schedule 2 of the Bid Implementation Agreement:

- (a) Glory has other securities on issue, that have been agreed or offered to be issued, or that might be issued, or offered to be issued, as a result of the exercise of any options, convertible securities or other rights (whether contingent or otherwise);
- (b) Glory or any of its subsidiaries has granted a person (other than to a subsidiary of Glory) the right (whether contingent or otherwise) to call for the issue or allotment of any Shares, options or other securities in Glory or its subsidiaries; or
- (c) a person (other than a subsidiary of Glory) has an agreement, option, warrant, right (whether contingent or otherwise) or privilege (whether contractual or otherwise) capable of becoming an agreement for the purchase, acquisition, subscription for, issuance of, conversion into or exchange for, any of the Shares or other securities of Glory or its subsidiaries,

other than:

- (d) the MinSec Deferred Share Consideration and the rights of MinSec in relation to the MinSec Deferred Share Consideration; and
- (e) each of the Onion Lake Deferred Consideration and the Way Lake Deferred Consideration and the rights of the Quetico Sellers in relation to each of the Onion Lake Deferred Consideration and the Way Lake Deferred Consideration.