ENFORCEABLE UNDERTAKING

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT
SECTION 93AA

1. INTRODUCTION

1.1 This document contains an undertaking by Resolute Limited ACN 009 069 014 ("Resolute"), Killyhevlin Pty Ltd ACN 086 541 095 ("KPL"), Paulsens Gold Pty Ltd ACN 086 404 668 ("Paulsens") and Kemia Pty Ltd ACN 009 187 080 ("Kemia") (collectively "the parties") to the Australian Securities and Investments Commission ("ASIC"). The undertaking is offered to ASIC pursuant to Australian Securities and Investments Commission Act s93AA in relation to Paulsens' proposed takeover scheme for Taipan Resources NL (ACN 060 156 452) ("Taipan").

1.2 Following its investigation of Paulsens' proposed takeover scheme for Taipan, ASIC is of the view that unacceptable circumstances may have occurred in relation to the takeover scheme.

1.3 In summary, ASIC's principal concern is the potential anti competitive effect on the market for Taipan shares having regard to the respective shareholdings of Paulsens, Resolute and Kemia.

2. FACTUAL BACKGROUND

2.1 On 2 March 1999, Paulsens announced to the ASX that it intended to make takeover offers for all of the fully and partly paid ordinary shares in Taipan ("Takeover Bid").

2.2 The issued share capital of Paulsens is held as to 85% by Resolute and 15% as to KPL. KPL is a wholly owned subsidiary of Kemia which, in turn, is owned by Colin Ikin and Suzanne Ikin.

2.3 As at the date of the announcement (described in paragraph 2.1) and of this undertaking, the parties and their associates held the following in Taipan:

<table>
<thead>
<tr>
<th>Party</th>
<th>Shareholding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resolute</td>
<td>4.5% of the fully paid ordinary shares.</td>
</tr>
<tr>
<td>Paulsens</td>
<td>15.3% of the fully paid ordinary shares and 9.5% of the partly paid ordinary shares.</td>
</tr>
<tr>
<td>Kemia</td>
<td>11.5% of the fully paid ordinary shares.</td>
</tr>
</tbody>
</table>

2.4 The shareholdings described in paragraph 2.3 represent:
20.4% of the total issued share capital of Taipan; and

30.76% of the total number of votes able to be cast in a general meeting of Taipan.

2.5 Resolute and Colin Ikin state that Kemia is free to retain its shareholding in Taipan, to accept the Takeover Bid, or to sell to a third party.

2.6 As a result of the concerns referred to in paragraphs 1.2 and 1.3, the parties have agreed to offer this undertaking.

3. UNDERTAKINGS

3.1 Paulsens undertakes to ASIC that the Takeover Bid will contain a non-waivable minimum acceptance condition requiring:

(a) 50.1% acceptances of the fully paid shares in Taipan held by shareholders other than Paulsens, Resolute, Kemia or their associates; and

(b) 50.1% acceptances of the partly paid shares in Taipan held by shareholders other than Paulsens, Resolute, Kemia or their associates.

Shares issued on exercise of options during the takeover period will not be taken into account for the purposes of this calculation.

3.2 Resolute, Paulsens and KPL undertake to ASIC that if the Takeover Bid does not become unconditional Resolute must, within 30 days after the Takeover Bid expires, extinguish KPL’s shareholding in Paulsens (eg by purchase or share buy-back). Subject to paragraph 3.3, Resolute, Paulsens and Kemia are not required to dispose of their current shareholdings in Taipan.

3.3 If a rival, more attractive bid is announced for shares in Taipan before the Takeover Bid becomes unconditional, the rival bid is or becomes unconditional (or would become unconditional if Resolute, Paulsens and Kemia were to accept it), the rival bid offers terms which are considered by Taipan shareholders and the market as a whole more attractive, and those terms are not matched or bettered by Paulsens, then:

(a) Paulsens and Resolute must accept the rival bid for their holdings of Taipan shares or sell them to any person other than Resolute, Paulsens, Kemia or their associates; and

(b) Paulsens and Resolute must not exercise any Taipan options held.

The acceptances or sales referred to in (a) above need not occur simultaneously, but must occur before the expiry of the rival bid.
3.4 Paulsens’ and Resolute’s obligations under paragraph 3.3 cease if the Takeover Bid becomes unconditional.

3.5 For the purpose only of determining whether the consideration (though not the other terms) being offered under a competing bid is of higher value than that being offered under the Takeover Bid, where that consideration contains a non-cash component Paulsens must obtain a written report from an independent licensed investment adviser valuing that component (unless Taipan has given (with its Part B statement) an independent expert’s report on the rival bid to Taipan shareholders).

3.6 Paulsens undertakes to ASIC that Paulsens will use its best endeavours to cause Taipan to prepare an independent expert’s report (to be dispatched with Taipan’s Part B statement in relation to the Takeover Bid) on whether the bid consideration is fair and reasonable.

3.7 ASIC may waive or vary any or all of these undertakings at its discretion provided that no variation operates to impose more onerous conditions on the parties.

3.8 Each of Resolute, Paulsens, Kemia and KPL will nominate the following directors of the respective parties to monitor the respective parties’ obligations under this undertaking and shall respectively cause each of those directors to provide ASIC with such information, explanations and/or assistance as ASIC may from time to time require concerning their compliance with this undertaking:

Resolute - Justine Magee
Paulsens - Justine Magee
Kemia - Colin Ikin
KPL - Colin Ikin

Where any of these persons ceases to be a director of the relevant party, that party must notify ASIC immediately of this occurrence and of details of a replacement officer to carry out the functions set out in this clause.

4. **ACKNOWLEDGEMENTS**

4.1 Resolute, Paulsens, Kemia and KPL acknowledge that ASIC:

4.1.1 will, subject to paragraph 4.2, issue a media release referring to the terms of this undertaking and the concerns of ASIC which led to its execution;

4.1.2 will from time to time publicly refer to this undertaking; and

4.1.3 will make this undertaking available for public inspection.
4.2 As soon as practicable after execution of this undertaking, Resolute must lodge a copy of this undertaking with the ASX. ASIC, Resolute, Paulsens, Kemia and KPL acknowledge that the terms of this undertaking shall remain confidential until the lodgement by Resolute of a copy of this undertaking with the ASX.

4.3 Resolute, Paulsens, Kemia and KPL acknowledge that this undertaking in no way derogates from the rights and remedies available to any person or entity (other than ASIC) arising from any conduct described in this undertaking.

4.4 Resolute, Paulsens, Kemia and KPL acknowledge that this undertaking has no operative force until accepted by ASIC.

5. INTERPRETATION

Unless the contrary intention appears, expressions in this undertaking have the same meaning as in the CL.

The Common Seal of Resolute Limited (ACN 009 069 014) was duly affixed to this undertaking in the presence of, and the sealing is attested by:

Carrick M. J.
Director

GREG FITZGERALD
Name (Print)

The Common Seal of Paulsens Gold Pty Ltd (ACN 086 541 895) was duly affixed to this undertaking in the presence of, and the sealing is attested by:

Carrick M. J.
Director

GREG FITZGERALD
Name (Print)
Signed for and on behalf of 
Kilgrieve Reit 
The Common Seal of Paterson Gold Pty Ltd (ACN 086 491 668) was duly affixed to this undertaking on 
by its 
Director 
ME COLIN IGGING 
in the presence of, and the sealing is 
attested by, 
in the presence of: 

Director 

TANYA GREGSON 
Name (Print) 

Signed for and on behalf of 
The Common Seal of Kemia Pty Ltd (ACN 009 187 080) was duly affixed to this undertaking on 
by its 
Director 
ME COLIN IGGING 
in the presence of, and the sealing is 
attested by, 
in the presence of: 

Director 

TANYA GREGSON 
Name (Print) 

ACCEP TED BY THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION PURSUANT TO AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT s93AA BY ITS DULY AUTHORISED DELEGATE: 

Jamie Ogilvie 
Regional Commissioner (WA) 

Dated this 7th day of April 1999